

VOLUME SUPPLY ASHORE

CHAPTER 5: MATERIAL EXPENDITURE

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MATERIAL EXPENDITURE

PART A GENERAL SUPPLY

Section 1 SCOPE

25000 SCOPE

1. **INTRODUCTION.** Chapter 5 includes regulations establishing procedures to be followed in the processing of documents for the cash sale, issue, or transfer of material under the custody of the supply activity, including the operation of shop stores and retail issue stores. The instructions on material expenditure also are subject to all rules and regulations imposed by governmental authority on the sale or transfer of material.

2. **ORGANIZATIONAL UNITS CONCERNED.** The following organizational units are concerned with material expenditure:

- issue control
- stock control
- purchase
- storage
- traffic
- shop stores
- disposal

3. **ISSUE PROCEDURES:** Issue procedures are described in chronological sequence without regard to organizational lines. Regulations pertaining to attendant control functions are included in the procedures sequence where they most commonly occur. When accomplishment of the reporting documents subsidiary procedures apply to two or more broad functions, they are described in detail at the point of greatest use.

4. **ACCOUNTING.** Accounting information is restricted to that commonly used in recurring transactions. Reference may be made to the Navy Comptroller Manual, pars. 0220604122091, for specific instructions on the appropriations chargeable for issues from stores accounts, including the fiscal year applicable, for various types of issues.

5. **CONTROL FUNCTIONS.** Only control functions pertaining to expenditure of material are described. Materials handling methods of issue, packing, delivery, and shipment are described in Chapter 7 of this volume.

Section II: ESTABLISHMENT OF RECORDS AND FILES

25015 REQUISITION FILES

1. **GENERAL.** Requisition files will be maintained to provide records of requisitions and expenditure invoices in process and to establish proof of material delivery or shipment. Separate requisition file folder(s) will be maintained for each activity or ship by accounting number, and requisitions will be filed therein in document number order.

2. SUSPENSE REQUISITION FILES

▼ a. For Station Requisitions. When a Requisition and Invoice/Shipping Document (DD Form 1149) or DOD Single Line Item Requisition System Document (DD Form 1348) is received in the issue control branch for action, a copy of the requisition may be retained in a suspense file following review for authority and form. At activities where a suspense

requisition file has not been established upon the initial receipt of the DD Forms 1149 or 1348, the procedures prescribed in par. 25055-6 item 5 will apply. ↑

b. For Other Than Station Requisitions. Suspense copies of requisitions may be filed in the activity or ship folder upon initial receipt of the requisition. When the number of referrals received indicates that suspense files are not necessary, the requisition file will not be established until the master requisition and copy of expenditure invoice are forwarded to the issue control branch from the stock control branch or machine records department.

3. **REQUISITION FILE FOLDERS.** Expansion type folders will be used for each activity or ship. All papers relating to a requisition, that is correspondence and invoices, will be stapled or clipped to the

master requisition and retained in the activity or ship folder until completion of the transaction. Open tub files will be used for file folders while in an active status. When the volume of papers relating to requisitions processed indicates a need for more protection than is afforded by using activity or ship folders, individual requisition folders may be utilized. This determination will be made by the activity concerned.

4. **COMPLETED FILES.** Upon receipt of proof of delivery or shipment copies of invoices, if the master copy of the requisition indicates no outstanding obligations, all papers related to the requisition will be attached and removed to completed files. Drawer or shelf type files will be used for completed files. When frequent inquiries have been received after delivery or shipment of material has taken place, the activity may maintain the completed papers in the active file for a reasonable time.

5. **OPTIONAL FILE PLAN.** Upon receipt of the master requisition and the invoice copy from the stock control branch or the machine records department, when the actions indicated on the master requisition show no obligated items, the master requisition and the invoice copy may be filed in the completed files. The proof of delivery or shipment copy then will be filed with the related master requisition and invoice copy in the completed files. When the master copy of the requisition indicates obligated items, transfer to the completed files will not be effected until issue action is taken on all items. When on the basis of experience it has been determined that reference to proof of delivery copies of invoices is negligible, this copy may be filed separately in numerical sequence by the last three digits of the document number.

↓ 6. **FILING THE DD FORMS 1149 OR 1348.** Issues originating on the DD Form 1149 or 1348 will

be filed by activity accounting number in document number sequence. This file always will contain the issue data card of, the DD Form 1149 or 1348 and also may contain the original electric accounting machine card of the NavSup Form 1163. Additionally, activities employing terminal digit filing methods may file these cards in document number sequence alone. ↑

25016 SCHEDULE FILES FOR PACKING AND SHIPPING

The establishment of schedule files in the packing and preservation section and the shipping section is at the option of the activity concerned. If schedule files are maintained, advance invoices will be received by the packing and preservation section and the shipping section immediately following the preparation or processing of expenditure documents. These documents will be filed by consignee, schedule time, and date and will constitute notices of issues for work planning and scheduling purposes.

25017 SHIPPING BILL OF LADING FILE

Upon preparation of a U.S. Government Bill of Lading (Standard Forms 1103-1109), a memorandum copy of such bill of lading will be retained. These copies will be filed either in strict numerical order, or numerically within destination or ultimate consignee category. ↑

25018 DELIVERY SCHEDULING FILE

The establishment of delivery scheduling files in the delivery section for material to be delivered to activities in the local area will be made at the option of the activity concerned. If delivery scheduling files are maintained, the files will be established upon receipt of advance documents from the stock control branch or the machine records department.

Section III: SCHEDULING AND SCREENING OF DOCUMENTS

25035 PROCESSING TIME

Material requests will be processed through the control, storage, packing and preservation, shipping, or delivery functions with internal handling precedence, as prescribed in par. 25036-1. Over-all issue processing time for each issue group will be moni-

tored daily by an appropriate level of management as prescribed in the NAVSUP Management Handbook. The total elapsed issue time in calendar days from the receipt of the material request to the time material is released or offered to the carrier (in the case of overseas shipment, to the time of offering of cargo) will not exceed the performance standards prescribed

in par. 25036-2; Failure to meet prescribed performance objectives will be investigated by the appropriate level of management on a continuing basis to determine the cause and to effect corrective action immediately.

25036 INTERNAL HANDLING PRECEDENCE

1. FOR MATERIAL REQUESTS OTHER THAN STATION REQUISITIONS

a. General. Based on the assigned priority designator, material requests and material being issued will be classified for internal handling into one of three issue groups prescribed in subpars. b, c, and d. The inclusive range of priority designators prescribed may be varied locally depending on personnel and funding capacity. Under such conditions, the performance standards of the more expeditious issue group will govern the issue performance of the adjusted issue group. If material is not available and requires passing action, referral to the next echelon of supply will be made within the prescribed processing time objectives as indicated in NAVSUP Publication 437, Chapter 1.

b. Issue Group I. Material requests bearing priority designators 01 through 03 will be classified in issue group I. Material requests and material being issued in issue group I will be given special hand or bearer expedite processing from the receipt of the document until the material is released to the appropriate carrier.

c. Issue Group II. Material requests bearing priority designators 04 through 08 will be classified in issue group II. Material requests in issue group II will be appropriately identified before it is forwarded to the storage function. Material requests in this processing group may be handled on an "Issue on requisition" basis but will not be bearer expedited.

d. Issue Group III. Material requests bearing priority designators 09 through 15 will be classified in issue group III. Material requests in issue group III will not be specifically identified but will be processed on a first-in, first-out basis.

2. PROCESSING STANDARDS. Maximum elapsed time for making an issue of identified items carried in stock is prescribed in terms of calendar

days, excluding weekends and holidays. For activities required to report Naval Supply Systems Command work measurement, processing time will be reported in accordance with the instructions in the Naval Supply Systems Command Management Handbook. Stock points will process issues in accordance with NAVSUP Publication 437, Chapter 7.

3. RESPONSIBILITY. Supervisory personnel in the functional areas concerned are responsible for processing material requests and invoices in a continuous uninterrupted flow. Backlogs of requests, issue documents, and material to be issued, in my functional area in excess of what may be completed within the prescribed processing objectives, prevents individual and over-all timely issue processing. Local procedures will be developed to provide for immediate reporting of backlogs to appropriate supervisors. Supervisors will take immediate corrective action when backlogs develop to insure an uninterrupted flow of documents and material.

4. DATE MATERIAL REQUIRED. While assigned date material required will not normally influence the prescribed issue cycle or performance standards, it will become significant when the items are not available for issue and further action is required, for consolidation of the material, and for selection of the mode of transportation.

5. STATION REQUISITIONS. Scheduling of station requisitions, in accordance with subpar. 1, may be employed if determined to be necessary by the activity concerned.

25037 STATION REQUISITION

1. AUTHORITY FOR ISSUE

a. Application. The instructions in this paragraph apply to issues on Requisition and Invoice/Shipping Document (DD Form 1149) or DOD Single Line Item Requisition System Document (DD Form 1348) to internal and industrial departments, shop stores, and shore activities not rendering their own accounting returns.

b. Use of Form. Incomplete or improperly prepared station requisitions will not be accepted except in cases of emergency. In screening, the station requisition will first be examined to verify

compliance with the following requirements regarding use of the form:

1. The station requisition must be from an activity within the same supply group.
2. The requesting activity must be a department of the issuing activity or a local activity whose accounting is performed by the issuing activity.
3. If more than one item of stock is requisitioned on a stock requisition, all items must be from the same federal supply classification group or class, and have a separate document number for each line item.
4. Request for nonstandard material will be received on a separate station requisition.
5. The station requisition must be submitted in the number of copies required by the supplying activity.

c. Data to be Included. The station requisition must clearly show:

1. requesting activity;
2. place of delivery;
3. station requisition serial number and date;
4. object of the expenditure;
5. appropriation and account chargeable;
6. job order number;
7. full descriptive data for material or services required, including if appropriate, stock number, correct designation of item, amount and unit of issue;
8. signature of head of requesting department or activity or his authorized representative; the signature is not required when a signed transmittal references the station requisition numbers covered.

d. Issues to Industrial Type Activities. An industrial type activity in close proximity to a supply center or depot may submit a station requisition for specific categories of material not carried by the local

activity supply department. Periodically, usually once a week, the issuing activity will prepare money value transfer invoices and forward them to the local activity supply department for accounting purposes. These invoices will be grouped by cognizance symbol and stock classes and supported by the duplicate station requisitions covering all issues during the period.

e. Issues of Classified Material. Prior to making issues of classified material to a bearer, a check will be made to determine that the bearer has the proper security clearance. Issues will not be made unless the bearer has a valid military or civilian identification card" plus a memo from the commanding officer identifying the bearer by name unless such information is already on file at the issuing activity. The bearer's name should be typed on the requisition and the requisition signed by the commanding officer or the supply officer.

2. **ERROR CORRECTIONS.** An error in a unit price, extension, or total found in a station requisition will be adjusted by a corrected station requisition. An error such as designation of erroneous accounting classification or incorrect job order number will be corrected by offsetting the erroneous station requisition with a credit station requisition and issuing a corrected debit station requisition. Copies of the corrected requisition will be distributed to the recipient of the initial requisition.

25038 OTHER THAN STATION REQUISITIONS

1. **GENERAL.** It is the responsibility of the issue control branch to ascertain that all requisitions received from various activities are in proper form. This will provide the stock records section with all necessary information, except for accounting information (see par. 2400 1-3), quantities, and prices, required to prepare invoices completely and correctly by direct typing. It also will facilitate the preparation of purchase orders by the requisition and order section.

2. **FORM USED AND AUTHORITY FOR ISSUE TO SHORE STATIONS.** The DOD Single Line Item Requisition System Document (DD Form 1348) will be prepared in accordance with MILSTRJP/MILSTRAP (NAVSUP Publication 437).

3. **MOVEMENT OF STORES.** The following chart shows the general instructions for the movement of stores from a supply department:

Movements of store from activities having stores	Issues for use	Transfer in same stores account
1. To a component of the issuing activity or to an activity accounted for by the issuing activity (see the Navy Comptroller Manual, par. 025301), regardless of functional account being charged	Expend to end use functional account	Not allowed
2. To another activity performing its own accounting (see the Navy Comptroller Manual, par. 025301), regardless of functional account chargeable	Not allowed	Invoice direct
3. To an activity whose accounting is performed neither by itself nor by the issuing activity (see the Navy Comptroller Manual, par. 025301)	Not allowed	invoice to activity performing the accounting as indicated in the Navy Comptroller Manual, par. 025301

Movements of store from activities having stores	Issues for use	Transfer in same stores account
4. To work being performed for another activity (see the Navy Comptroller Manual par. 035412)	Expend to functional account appropriate at the industrial commercial activity (see the Navy Comptroller Manual, par. 035412)	Not allowed
5. To an activity not included, or included without indicating an accountable activity, in the Navy Comptroller Manual, par. 025301	Expend to end use functional account	Not allowed

4. **REQUISITIONS NOT ACCEPTABLE.** Requisitions which contain insufficient or erroneous data for processing will be rejected in accordance with MILSTRIP/MILSTRAP (NAVSUP Publication 437).

5. **ORDNANCE MATERIAL.** Inactive fleet allowance deficiency requisitions for ordnance material will be screened against current NAVSEA Allowance Lists in order that unnecessary items will not be furnished. Items on requisitions which have been deleted from the allowance lists will be canceled.

Section IV: MATERIAL ISSUES

Subsection 1: STATION REQUISITIONS

↓ 25055 STATION REQUISITIONS (MANUAL)

1. **GENERAL.** The Requisition and Invoice/shipping Document (DD Form 1149) or DOD Single Line Item Requisition System Document (DD Form 1348) received from activity departments and outside

activities for whom the parent activity has been assigned accounting responsibility will be processed in accordance with subpars. 3-9, However, urgent requests from activity departments may be presented direct to the applicable storage area when the experience of the activity indicates this procedure is

↓ justified. When issues are made from a storage area, the receipted copy of the issuing documents will be stamped "Post-post" and forwarded to the stock control branch for processing. The distribution of the numbered copies of the forms may vary except that in all cases the original will be used as the accounting copy. When activities elect to deviate from the numbered copy distribution, the local copy distribution will be kept uniform.

2. **ROUTING OF REQUEST FOR ISSUE OR TURN-IN.** Copies may be initially routed to either the issue control branch or to the stock control branch. If it is determined locally that the DD Form 1149 or DD Form 1348 will be routed initially to the issue control branch, the procedures in subpar. 3 apply. If the DD Form 1149 or DD Form 1348 is routed to the stock control branch, the procedures in subpar. 6 apply.

3. **SUSPENSE REQUISITION FILE.** When DD Form 1149 or DD Form 1348 is received in the issue control branch for action, a copy of the requisition may be filed following review for authority and form. The request then will be forwarded to the stock control branch for processing.

4. **OBLIGATED ITEMS.** When the stock control branch determines that one or more items require filling from material due in, a marked copy of DD Form 1149 or DD Form 1348 will be forwarded from the stock control branch to the issue control branch. The information on, the marked copy will be transcribed to the suspense copy and the marked copy forwarded to the requester. When a suspense requisition file has not been established, the procedures prescribed in subpar. 6 item 5 will apply.

5. **PROOF OF DELIVERY COPY.** The proof of delivery copy of the DD Form 1149 or DD Form 1348 will be filed in the closed section of the issue control branch requisition files. The copy previously filed will be removed and destroyed unless obligated items or items being procured are still open.

6. **OPTIONAL USE OF REQUEST FILE COPY.** When the experience of the field activity has proven that the retention of the suspense requisition file copy of the DD Form 1149 or DD Form 1348 is not required, the use of this file copy may be eliminated and the following procedures implemented:

1. All copies of the DD Form 1149 or DD Form 1348 received will be kept intact until the stock control branch has determined supply action to be taken.
2. If all material is to be issued from stock, copies 2,4, 5, and 6 of the DD Form 1149 or DD Form 1348 will be forwarded to the storage branch; copies 7 and 8 may be utilized as required locally or destroyed.
3. If the entire requested quantities are issued from stock, copy 2 will be destroyed by the storekeeper.
4. If less than total quantities are available, copy 2 will be returned to the stock control branch for adjustment.
5. If a portion of the items are to be issued from stock, and procurement or obligation action is taken by the stock control branch for other items requested, copy 2 will be forwarded to the issue control branch for filing; the action copy will be forwarded direct from the stock control branch to the requesting activity.
6. When material has been issued from stock, the proof of delivery copy of DD Form 1149 or DD Form 1348 will be filed and retained by the issue control branch.
7. When all items on a DD Form 1149 or DD Form 1348 must be purchased or procured from another naval activity, suspense files will be maintained in the receipt control branch in accordance with pars. 23082 and 23119.
7. **ORIGINAL COPY.** At activities operating under manual stock control procedures the original of the DD Form 1149 or DD Form 1348 will be forwarded to the fiscal department. Instructions contained in par. 25056 for distribution of DD Form 1149 or DD Form 1348 under mechanized stock and financial recording procedures prescribe that the original of the DD Form 1149 or DD Form 1348 will be filed by date in the financial inventory control section.
8. **DIVISION OF REQUEST.** When a separate DD Form 1149 or DD Form 1348 is prepared to cover one or more items on a DD Form 1149 or DD Form 1348 received in the supply department, one copy of each supplementary DD Form 1149 or DD Form 1348 with a reference to the original DD Form 1149

or DD Form 1348, will be sent to the office administering the allotment or project order and one copy will be sent to the originator of the original DD Form 1149 or DD Form 1348.

9. **APPROPRIATION PURCHASES ACCOUNT.** When Appropriation Purchases Account material is issued on a DD Form 1149 or DD Form 1348 and an appropriation adjustment is necessary (see the Navy Comptroller Manual, par. 032502), a copy of the DD Form 1149 or DD Form 1348 marked "Obligation copy Standard Form 1080 adjustment" will be forwarded to the office assigned to maintain appropriation obligation records.

25056 STATION REQUISITIONS (MECHANIZED)

↓ 1. **GENERAL.** For expenditure of material on copies of a Requisition and Invoice/Shipping Document (DD Form 1149) or DOD Single Line Item Requisition System Document (DD Form 1348) at industrial type activities where supply support within the activity comprises a large percentage of total issues, copies of the station requisition will serve as the issue document.

↑ STATION REQUISITION PROCESSING ON DD FORM 1149 OR DD FORM 1348

a. **Fiscal Department.** If the commanding officer requires that station requisitions be validated prior to introduction for supply action (see Navy Comptroller Manual, par. 039101-2), the financial editing function will be performed by personnel of the fiscal department as a part of the validating process. The financial editing will include screening for accuracy of accounting data and assignment of the balance sheet caption code. Following validation and editing, the station requisition will be forwarded to the issue control branch or the stock control branch (see par. 25055).

b. **Issue Control Branch.** If station requisitions are routed direct to the issue control branch, the issue control branch will circle the authority for issue and indicate the total number of line items on the requisition. The number of line items will not be indicated when single item requisitions only are used by the activity. A copy of the requisition may be removed for subsequent filing and the remaining

copies will be forwarded to the document sorting unit, stock control branch.

c. **Other.** Procedures to be followed by the stock control branch, machine records department, and the financial editing section will be in accordance with par. 24290.

25057 ISSUES AND SALES TO NAVY INDUSTRIAL FUND ACTIVITIES

1. **APPLICABLE NAVY ACTIVITIES.** Activities financed under the Navy Industrial Fund are listed in the Navy Comptroller Manual, par. 031103. These activities are included in the list of activities showing accountable status, in the Navy Comptroller Manual, par. 025301. Special considerations applicable to certain of these activities are contained in subpars. 3-6. Special considerations applicable to all other Navy Industrial Fund activities are contained in subpar. 2.

2. RULES

a. **General.** The instructions herein apply to all Navy Industrial Fund activities except those specifically covered in subpars. 3-6. The general rules in subpars. b, c, and d apply to transactions by Navy Industrial Fund activities and will be used as guides by other naval activities in transactions with these Navy Industrial Fund activities.

b. Material Issued by Navy Industrial Fund Activities

(1) **Medical and Dental Plant Account Items and Material.** Medical and dental plant account items issued from the Navy Stock Account or procured for use by medical and dental facilities financed under the Navy Industrial Fund will be charged to the allotment available at the activity for this purpose. Other medical and dental material issued from the Navy Stock Account or procured will be charged to the Navy Industrial Fund project cash account of the activity. The Navy Industrial Fund will be reimbursed for the costs (other than plant property) of medical services rendered but not related to the industrial mission of the activity. Navy Industrial Fund activities performing allotment and stores accounting functions for medical and dental facilities not financed under the Navy Industrial Fund will issue

such material and equipment to the facilities with charge to the allotment cited on the requisition.

(2) Material and Plant Amount Items for Fleet Ballistic Missile Program. Accounting for material and plant account items issued from store to the fleet ballistic missile program and procurement of plant account items for the program will be accomplished in accordance with par. 25323-8.

(3) Other Plant Account Items. Plant account items (see the Navy Comptroller Manual, par. 036004-3) other than those covered in subpars. (1) and (2) will be charged by the Navy Industrial Fund activity or its accountable activity to the applicable appropriation, allotment, functional account, and the unit identification code of the recipient Navy Industrial Fund activity.

(4) Other Material. Material not covered in subpars. (1) and (2) will be charged by the Navy Industrial Fund activity or its accountable activity to the Navy Industrial Fund, the appropriate subhead, functional account 45000, and the unit identification code of the activity.

c. Material Issued by Other Than Navy Industrial Fund Activities. Stores account material issued by other than the industrial-commercial activity or its accountable activity will be expended as a transfer to other supply officers, cash sale, or a charge to end use. The type of expenditure will be determined from the fund code cited.

d. Public Vouchers. Public vouchers for purchases chargeable direct to functional account 45000 or a functional account in the 41000 series for classes 1 and 2 plant property will indicate accountability by the Navy Industrial Fund activity or its accountable activity, as appropriate. Similarly, public vouchers for purchases chargeable to a functional account in the 50000 series will show the Navy Industrial Fund activity or its accountable activity as the activity to be abstracted.

e. Technical Equipment. Technics! equipment and prototypes issued on a nonreimbursable basis to Navy Industrial Fund activities for research and development work for which the equipment or prototypes will not be returned to the issuing activity will be expended from the stores account in which carried on an invoice by the issuing activity as a cost

charge to the applicable appropriation and subhead, and functional account in the 96000 series.

3. NAVY PUBLICATIONS AND PRINTING SERVICE, WASHINGTON, D.C. Plant account items costing \$1,000 or more for the Navy Publications and Printing service, Washington, D.C., will be charged by the purchasing or issuing activity to the applicable appropriation other than the Navy Industrial Fund, and functional account 81100. The issuing activity will send a copy of the expenditure invoice to the Navy Publications and Printing Service. Items other than plant account item, and plant account items costing less than \$1,000) will be charged to the Navy Industrial Fund, subhead .2301, functional account 45000, and the unit identification code of the Navy Publications and Printing Service. Such items furnished from store will be handled as cash sales under functional account 98021 by the furnishing activity. Public vouchers for purchases chargeable direct to functional account 45000 will show the Navy Publications and Printing Service as the accountable activity.

4. PUBLIC WORKS CENTER, NORFOLK, VA. The Naval Supply Center, Norfolk, performs stores accounting functions for the Public Works Center, Norfolk. All material and plant property items issued from store by activities other than the Naval Supply Center, Norfolk, to the Public Works Center, Norfolk, will be invoiced as transfers between supply officers in the account in which carried to the Naval Supply Center, Norfolk. The material will be expended by the Naval Supply Center, Norfolk, to the Navy Industrial Fund, the appropriate subhead, functional account 45000, and the unit identification code of the Public Works Center, Norfolk. Plant property items will be expended by the Naval Supply Center, Norfolk, with charge to the applicable appropriation other than the Navy Industrial Fund allotment, and functional account in the 41000 series, and the unit identification code of the Public Works Center, Norfolk A Report of Fund Authorization Charges (NavCompt Form 2074) will be prepared to report all expenditures to the Public Works Center, Norfolk.

5. NAVAL RESEARCH LABORATORY, WASHINGTON, D.C.

a. Navy Stock Account Items Issued From Stores. All Navy Stock Account items issued from, stores will be charged to the Navy Industrial Fund,

subhead .1403 and functional account 45000 by the supplying activity. A NavCompt Form 2074 will be prepared by the supplying activity to report all expenditures to the Naval Research Laboratory.

b. Appropriation Purchases Account Material. The value of Appropriation Purchases Account material will be invoiced in the Appropriation Purchases Account to the Naval Research Laboratory.

6. NAVAL SHIP RESEARCH AND DEVELOPMENT CENTER WASHINGTON, D.C.

a. Navy Stock Account Issues Chargeable to the Navy Industrial Fund. All Navy Stock Account items issued from store will be charged to the Navy Industrial Fund, subhead .3722, and functional account 45000 by the supplying activity. A NavCompt Form 2074 will be prepared by the supplying activity to report all expenditures to the Naval Ship Research and Development Center.

b. Appropriation Purchase Account Issues. All Appropriation Purchases Account items issued to the Naval Ship Research and Development Center will be handled as a transfer between supply officers.

7. ISSUES AND SALES TO OTHER THAN NAVY INDUSTRIAL FUND ACTIVITIES. Instructions for other than Navy Industrial Fund activities are contained in par. 25325.

25058 ISSUES OF FUEL TO NAVAL ACTIVITIES

1. DEFINITION. Issues of fuel are defined as those quantities of fuels which are consumed by an ashore station or expended to Naval activities not carrying the fuel in stores account.

2. ISSUING PROCEDURE

a. Packaged Products. Issues of packaged products will be handled in the same manner as issues of general stores.

b. Bulk Fuel Oils. Issues of residual (black) fuel oils, irrespective of quantity, will be corrected in volume 60°F. Issues of fuel oils other than residual (black) fuel oils in quantities of 3,500 gallons or more will be corrected to 60°F. Quantities will be determined by an inventory conducted by the supply officer and witnessed by an officer of the receiving department. If an agreement cannot be reached, the quantity as determined by the supply officer will be accepted.

c. Bulk Gasoline and Jet Fuels. Issues of 3,500 gallons or over of bulk gasoline and jet fuels will be corrected in volume of 60°F. except issues made from Navy Storage to aircraft or to refueler trucks for the purpose of aircraft refueling. Issuing procedures for other type deliveries or transfers will be the same as for bulk fuel oils.

Subsection 2 OTHER THAN STATION REQUISITIONS



23071 REQUISITION AND INVOICE/
SHIPPING DOCUMENT (DD
FORM 1149)

1. USED AS A REQUISITION. When the Requisition and Invoice/Shipping Document (DD Form 1149) is used as a requisition by the supplying activity, the original and first 5 copies will be processed in the same manner as prescribed in subpar. 2.



2. USED AS A REQUISITION AND INVOICE. When the DD Form 1149 is used as a combination requisition and invoice, the original and 6 copies will be utilized by the supplying activity. Copy 6 will be retained in the requisition file following review for authority and form in the issue control branch. Copies 1 through 5 will be forwarded to the stock

control branch for stock issue action. At mechanized activities copy 3 will be used as the shipping copy. After preparation of the DD Form 1149 by the stock control branch or machine records department, as applicable, copies 1 through 5 at manual activities and copies 1, 2, 4, and 5 at mechanized activities will be returned to the issue control branch with the designated file copy of the DD Form 1149 except when purchase action is required. When all items are supplied from stock, copy 1 will be retained in the requisitioner's file, and the remaining copies will be destroyed. When one or more items are to be obligated for future delivery from stock due, copy 1 will be retained in the requisition file. Copy 2 will be forwarded to the requesting activity denoting action taken, and the remaining copies will be filed for further use. When purchase action is required, copy 1 will be retained in the requisition file, copy 2 will be

forwarded to the purchase section by the stock control branch, and all other copies will be returned to the issue control branch. Copy 4 will be returned to the requisitioning activity denoting action taken and any remaining copies will be filed for possible future use. Upon return of the original requisition from the stock control branch, the issue control branch will return copy 6 to the requesting activity to denote action taken. The original will be retained in the requisition file.

25072

25073 PREPARATION OF INVOICES

1. GENERAL. An invoice is the authoritative document which signifies the expenditure or receipt of material. It serves as the authority to the storekeeper for moving the material from the storage location to the assembly and packing or shipping and delivery location. For the issuing activity, the invoice serves as the accounting paper for expending the value of the material from the class ledgers and the quantity of the material from the stock record cards. For the receiving activity, the invoice serves as the accounting paper for taking up the value of the material on class ledgers and the quantity of the material on the stock record cards. Supply transactions originated by DOD Single Line Item Receipt/Release Document (DD Form 1348-1) or Requisition and Invoice/Shipping Document (DD Form 1149) result in a financial detail card for each item processed, as a by-product of the supply processing action at mechanized activities. This makes feasible the support of financial transactions solely by electric accounting machine cards Financial Detail (NavSup Form 1162). When use of the DD Form 1348-1 will not suffice for a specific need, a DD Form 1149, message, or a letter request will be prepared. Request papers and invoices will be distributed in accordance with par. 25071 for original distribution and the ultimate distribution of copies of invoices will be made in accordance with par. 25135. Evidence of authorization must appear on all invoices. When transactions are directed by a bureau, command, office, or Naval Supply Systems Command inventory control point or result from request documents, the authority will be indicated in the appropriate space on the invoice. Transactions which are authorized in the Naval Supply Systems Command Manual or the Navy Comptroller Manual will be identified by the

applicable paragraph, subparagraph, and item number in the authority block or in the body of the invoice.

2. PREPARATION. When it has been determined that the quantities appearing on the request document are to be issued from store or obligated at manual activities, the necessary postings will be made to the stock record cards or obligation cards, and each item on the request document except those items obligated will be priced. The request document then will be passed to the calculator operator in the stock control battery, and the quantity requested for each item except those items obligated will be multiplied by the unit price for that item. The extension will be noted on the request document in the column provided or directly above the quantity on those documents with no columns for extensions. Invoices will be typed by direct copy process from the request document or prepared by tabulating equipment in accordance with the mechanized stock control system (see par. 25075). The accounting information, request document number, item number, stock number, description, quantity, unit price, unit of issue, extension, total value, and consignee to whom delivery is made will be indicated in the appropriate captions of the invoice. When the requesting activity, is not the accountable activity, the invoice will be addressed to the accountable activity marked for the receiving activity and will indicate the appropriate accounting numbers. The item number on the invoice will correspond with the item number on the request document. Items will be double spaced; each invoice will contain a maximum of 9 items. Only one federal supply classification group of material under one cognizance symbol will be included on an invoice. The typing and processing of invoices will not be delayed awaiting receipt of actual prices when there is a question about the unit price of the material. If the unit price of the material is not available, estimated prices will be used. All data finally appearing on the invoice will be visually verified for accuracy of detail and legibility prior to distribution.

3. NUMBERING INVOICES

a. Request Document Numbers. Standard document number procedures have been established to provide system-wide uniformity by perpetuating the source requisition number through all phases of supply and accounting processes, thus promoting

operating efficiencies to both requisitioners and suppliers. Supply processing activities will not assign locally controlled invoice numbers to expenditure invoices which are prepared based on DD Forms 1149, 1348-1, messages, or letter requests which are submitted by Navy sources (except as noted in subpar. b). In lieu thereof, the document number of the request will become the invoice number of the transaction. Local codes, if assigned by the requester, will appear on all material movement documents but will not be indicated on financial detail cards. Activities employing EAM or electronic data processing machines will prepare single line item invoices. When more than one item is contained on a requisition, the related mechanized invoice will perpetuate the original requisition number in the requisition number or authority block of the invoice, including any 2 digit local code assigned. The document number with the item number as a 1 digit suffix will be printed in the voucher number block of the invoice. For example, requisition number 04304-0400456-02 would have voucher number 000456-1 printed on the invoice for item 1 of the original requisition, 000456-2 for item 2, etc.

b. Other Invoice Numbers. Requests submitted by ships of the Military Sealift Command, and those for military assistance program mutual security and military sales requirements, or military assistance program grant aid material program spares requirements developed by inventory control points, are excluded from the standard document number procedures except as may be separately directed. These procedures do not affect single manager operating agency instructions relative to requisition and issue document numbering and are not applicable to requisitions submitted by other than Navy sources such as other government departments, contractors, etc. When document numbering systems employed are not compatible with the Navy standard document number procedures, such requests will be assigned local invoice numbers consisting of a 6 digit number beginning with 000001, at the beginning of the fiscal year and continuing in numerical sequence not exceeding 899999 throughout the fiscal year. Invoices prepared for summary billings, summary adjustments, cash sales, approved surveys, class transfers and other than Navy summary billings and adjustments also will be assigned local invoice numbers.

4. **ISSUES OF ITEMS PREVIOUSLY OBLIGATED.** When an item on a request paper has been

obligated previously, and it is desired to issue the item, the stock control battery concerned will prepare a memorandum request on the issue control branch for the master copy of the requisition covering the item. Upon receipt of the requisition, the stock control battery will prepare the, invoice in the usual manner using the document number which appears on, the face. of the requisition with the addition of the item number as the 1 digit suffix number. If, on the requisition, other items had been obligated previously and are to be issued at a later date, additional invoices will be prepared as necessary under the basic document number with the suffix number identifying the item number. Invoices will not be prepared until the time of actual issue of the item.

25074

25075 EXPENDITURE OF MATERIAL ON AN INVOICE (MECHANIZED)

1. **SCHEDULING.** All shipment orders and material requests (other than station requisitions) will be

par. 25036. Normally, it is not necessary or advisable to place any time scheduling information on the request document inasmuch as the processing time is standard for each processing category as prescribed in par. 25036-2. However, when established issue times are not being met, it may be necessary to employ temporarily a scheduling system to establish a goal for each function and to determine the functions causing delay.

2. **ISSUES ON INVOICE**

a. Issue Control Branch. The scheduling unit will review the request document for accuracy and completeness (other than accounting information) and will determine when special issue instructions are applicable. The original of the request document is the master copy; however, when the original is not available, a legible copy will be stamped "Master copy" for ready identification during subsequent processing action. Standard processing requires an original and three copies of the request document; however, when an insufficient number of copies are received, the required additional copies will be prepared. The appropriate processing category will be determined in accordance with par. 25036 and further processing action taken accordingly.

b. Other. Procedures to be followed by the stock control branch, machine records department, and the financial editing section will be in accordance with par. 24285.

c. Material Division. The storage branch will use the invoice or packing ticket to break out the material. Applicable packing, marking, and shipping instructions will be obtained from the shipping copy of the request document. The shipping copy of the request document will be forwarded to the consignee with the consignee copies of the invoice in accordance with par. 25135. In the case of parcel post, local delivery, or bearer pickup, the shipping copy of the request document will accompany the material.

3. ISSUES ON REQUISITION, PRICED INVOICE TO FOLLOW

a. Issue Control Branch. If after review a requisition meets the definition of an emergency issue as prescribed in par. 25036-1b, the notation "Issue on requisition, priced invoice to follow" will be placed on the original and three issue copies' of the request document. The consignor's name also will be shown on the shipping copy of the request document. The request document will be placed in a document carrier to indicate that immediate action is required of each of the organizational units concerned.

b. Other. Procedures to be followed by the stock control branch, machine records department, and the financial editing section will be in accordance with par. 24286.

c. Issue Control Branch. Upon receipt from the stock control branch, all issue copies of the request document will be forwarded immediately to the material division for issue of the material. Copies 3 and 4 of the invoice will be mailed to the consignee unless information as to material discrepancies is received from the storage branch within two working days. Copy 8 will be destroyed or mailed to the accountable activity, if other than the consignee, and copy 9 and master copy of the requisition will be filed. If a material discrepancy exists, the issue control branch will take appropriate corrective action in accordance with subpar. 4c.

d. Material Division. The notation "Issue on requisition, priced invoice to follow" on the request document will authorize issue of material without an

invoice. One copy of the request document will serve as a proof of delivery copy and will be returned to the issue control branch. One copy will be forwarded with the bill of lading and the other copy will be used as the packing copy. If quantities other than those specified on the requisition are issued, the quantities actually issued will be inserted on all copies and the original quantities will be lined out.

4. WAREHOUSE REFUSALS

a. General. Expenditure invoices must be in agreement with the material issued (see par. 24440). When the storage branch does not have sufficient stock to fill the request, the expenditure invoice (copies 3 through 8) will be corrected by the expending activity to show the actual quantity and money value of the material being issued. This will be accomplished by the storage branch forwarding copies 3 through 8 of the invoice to a correction clerk for typing the correction. The correction clerk will be located in the machine records department or in the material division, whichever location best facilitates the issue of material and adjustment of records.

b. Invoice Discrepancies. The storage branch will note the quantity discrepancy and forward copies 3 through 8 of the invoice to the correction clerk. The invoice will be corrected by the correction clerk and copies 3 through 7 will be returned to the storage branch for issue of material. Copy 8 of the invoice will be noted with the number of line items requiring correction and forwarded to the document distribution unit for grouping with request documents by stock unit. When the accountable activity is other than the consignee, the correction clerk will prepare a correction form, route it to the document distribution unit for grouping with request documents by stock unit, and forward copy 8 with copies 3 through 7, to the storage branch. The stock reviewer will mark sense correcting item detail cards with the quantity, document number, and the offsetting transaction code and release copy 8 of the correction form the same as a routine requisition. The stock reviewer will take action to obligate, substitute, and initiate spot inventories as required. The machine records department will prepare an offsetting invoice and destroy copies 3 through 8 of the offsetting invoice. Copies 1 and 2 will be forwarded to the financial inventory control section to offset the original invoice and copy 9 will be returned to the issue control branch folder with copy 8 of the original invoice. If none of the

items on the invoice are available in the storage branch for issue, the correction clerk will destroy copies 3 through 7 of the invoice and initiate corrective action on copy 8 as described herein. The adjusting invoice will be assigned the same basic document number as the invoice to which the adjustment applies regardless of the fiscal year.

c. Emergency. Issues. The storage branch will note any material discrepancies on all copies of the request document and immediately will notify the issue control branch. The material will be issued and the proof of delivery copy returned to the issue control branch. Upon receipt of information as to material discrepancies, copies 3, 4, and 8 of the priced invoice will be corrected to show the actual quantity and money value, of the material being issued. Copies 3 and 4 then will be mailed to the consignee. Issue control branch will forward copy 8 of the invoice and the master copy of the requisition to the stock control branch for action to prepare an invoice to correct the stock and financial records as

prescribed in subpar. b and to take appropriate supply action on the discrepancy, if necessary.

25076 FORWARDING OF ISSUE DOCUMENTS

When the stock control branch of an issuing activity determines that one or more items cannot be filled from stock and when instructions of the cognizant Naval Supply Systems Command inventory control point provide for forwarding to the next higher echelon of supply, the action taken on each item will be indicated on the original of the DOD Single Line Item Requisition System Document (DD Form 1348) or Requisition and Invoice/Shipping Document (DD Form 1149), as applicable. All copies of the request document not required for internal use will be similarly noted and forwarded to the next higher echelon of supply. When all items indicated on the request document are forwarded for action, the original and available copies will be forwarded. In accordance with par. 25036, forwarding action should be taken with minimum delay.

Subsection 3: ISSUE AND ACCOUNTING INSTRUCTIONS-FLEET UNITS

25090 ISSUES TO SHIPS AND AVIATION UNITS (OTHER THAN MILITARY SEALIFT COMMAND)

1. **GENERAL.** Issues of material other than clothing items and ship's store stock from the Navy Stock Account or Appropriation Purchases Account by shore stations to ships, aviation units, and inactive fleet ship groups will be expended ashore and charged to the appropriation and operating budget indicated by the fund code on the requisition, even though → issue is not made until the subsequent fiscal year. Issues of material from the Appropriation Purchases Account without appropriation adjustment do not result in charges to appropriations but will be reported on Labor Roll/Material Charges and Credits (NavCompt Form 2051) as cost charges only. In the case of purchase of material not carried in stock, charge will be made to the appropriation and allotment for the fiscal year in which such purchase is made. When Navy Stock Account material for which standard unit prices have been established is requisitioned by fleet units and purchase action is necessary and authorized, purchase will be effected under the Navy Stock Fund. Receipt control procedures will be in accordance with procedures prescribed in par.

23083 and the material will be issued at the standard prices.

2. **PROCUREMENT.** When a requisition is converted to a purchase order or contract (citing the end-use accounting corresponding to the fund code on the requisition), the fiscal year chargeable is the year current as of the date of the purchase order or contract (see NAVSO P-3013, Part 2, par. 4102-1b).

3. **ORDNANCE MATERIAL ISSUES TO SHIPS AND AVIATION UNITS.** Shore stations will expend technical ordnance material issued to ships and aviation units to end use.

4. **INITIAL OUTFITTING MATERIAL AND CONSUMABLE SUPPLIES FOR NEWLY CONSTRUCTED OR CONVERTED SHIPS.** The initial fill of allowance list items on the Coordinated Shipboard Allowance List (COSAL) and consumable supplies requisitioned for stock on board to operate central storerooms for newly constructed or converted ships will be expended by the assigned outfit supply activity to the applicable outfit supply allotment. After the prospective supply officer has reported to the prospective commanding officer of the ship that

he is in all respects ready to accept custody of the material, the prospective commanding officer will notify the outfit supply activity that he is ready to accept delivery of the material. The supply officer of the outfit supply activity will then deliver the material, accompanied with the shipping documents, to the prospective supply officer of the ship. The prospective supply officer, or his designee, will sign and date a copy of the shipping document and return to the supply officer of the outfit supply activity or his designee as proof of receipt of the material.

5. MATERIAL INCIDENT TO MODERNIZATION, ALTERATION, OR REPAIR OF SHIPS. Equipage, repair parts, and special tools, whether or not classed as equipage, placed on board ships as a result of modernization or alteration by shore stations will be expended by the station holding the applicable funds authorization. Sets of repair parts furnished for material installed by shore stations incident to repairs to ships or their equipage will be expended by the shore station holding the applicable funds authorization.

6. FUEL AND WATER. Fuel for ship propulsion or power generation and water issued to Navy ships, service craft, landing craft, and boats receiving day to day operational support under designated subhead will be charged to the appropriation, Operation and Maintenance, Navy, appropriate subhead, and operating budget as indicated by the fund code.

7. COGNIZANCE SYMBOLS 1H and 9N MATERIAL. Vacuum tubes and electronic repair parts issued from the Navy Stock Account to aircraft carriers, seaplane tenders, aircraft repair ships, and aviation supply ships, for ultimate installation in or consumption by aircraft, will be charged to the appropriation, Operation and Maintenance, Navy, appropriate subhead, and operating budget as indicated by the fund code.

8. FOOD ITEMS. Food items issued to fleet and aviation units chargeable to the appropriation, Military Personnel, Navy, subhead .2241, will be charged to the fiscal year in which the issue is made and not the year indicated on the requisition. Determination of the date of issue will be the date the material is dropped from inventory.

9. OTHER ISSUES. Issues of material not covered by subpars. 3-8 including ship's equipage, will be

charged to the applicable appropriation and operating budget as indicated by the fund code.

10. FORWARDING OF INFORMATION INVOICE COPIES. For distribution of invoices, see par. 25135.

11. SUMMARIZATION OF CHARGES

a. Material and Labor Charges. At the end of each month the shore station will summarize to the Fleet Accounting and Disbursing Center, Atlantic or Pacific, the total value charges to a type commander's operating budget in accordance with the procedures in the Navy Comptroller Manual, par. 032508.

b. Verification. The total charges reported to a Fleet Accounting and Disbursing Center, in accordance with subpar. a, will be verified with the charges reported on NavCompt Form 2051.

12. FUNDS FOR SHIPS TO BE NEWLY COMMISSIONED. Funds for commissioning supplies and ceremonies are not a part of the outfit supply allotments discussed in subpar. 4. Commissioning allotments are granted to naval activities responsible for commissioning requirements whether the commissioning ceremonies are held at naval or commercial shipyards.

13. MATERIAL FOR SHIPS LOST. In connection with all material destined for a naval ship known to have been lost, whether the loss is publicly announced or information of the loss is received via official channels. naval activities concerned will:

1. return standard stock to store or to the nearest major supply activity,
2. request advice of the responsible bureau, command, or office regarding disposition of nonstandard technical material or items peculiar to the particular ship,
3. request the naval activity of origin to designate the disposition of items if they are not identifiable,
4. cancel unfilled requisitions for standard stock or requisitions for special material on which no action has been taken,
5. request advice from the responsible bureau, command, or office as to the disposition of material covered by outstanding contracts.

25091 AIRCRAFT ENGINES AND DIRECTLY ASSOCIATED ACCESSORIES

Issues of aircraft engines and directly associated accessories to the overhaul and repair department for installation on aircraft in process of overhaul will be made at the standard price and be charged to functional account 32000. Upon induction of aircraft for overhaul, the engine or directly associated accessories which are removed will be returned to store at a standard price subject to existing instructions governing the screening of returned material. Upon being returned to store, the transaction will be a credit expenditure to functional account 32000. When aircraft engines or accessories are removed during overhaul and will not be replaced with like or similar items, they will be turned in as "material turned in to store".

25092

25093 NAVAL AIR SYSTEMS COMMAND AERONAUTICAL INITIAL OUTFITTING AND ALLOWANCE LISTS AND TABLES OF BASIC ALLOWANCES

1. INTRODUCTION

a. Scope. Naval Air Systems Command Aeronautical Initial Outfitting Lists, Allowance Lists, and Tables of Basic Allowances are prepared by the Naval Air Systems Command or activities as designated and directed 'by the Naval Air Systems Command. These lists contain the following:

1. the equipment and material (both consumable and nonconsumable) necessary to outfit and maintain units of the aeronautical organization in a condition of material readiness;
2. substantially all items used with sufficient frequency to justify their issuance to all activities maintaining aircraft or equipment for which the lists are designed;
3. the latest available information concerning stock number, nomenclature interchangeability, and supersedure;
4. a set of detailed instructions for the application and utilization;
5. a table of logistic data showing the total weight and cube of all material contained in the list.

All recommendations for changes to these lists will be submitted in accordance with the instructions contained in each list.

b. Commissioning and Outfitting. Naval Air Systems Command Aeronautical Initial Outfitting Lists, Allowance Lists, and Tables of Basic Allowances are firm outfitting lists. The shore activities responsible for the outfitting of a ship, wing, group, squadron, or other activity with aeronautical material will be responsible for obtaining, assembling, and delivering to the representative of the fleet activity being outfitted all material listed in the proper column or columns of the applicable lists in accordance with the commissioning and outfitting directives.

c. Levels of Supply and Replenishment. There are two general categories of initial outfitting lists and allowance lists insofar as levels of supply and replenishment are concerned:

1. Allowance lists covering shop and operational equipment are both firm outfitting lists and firm allowance lists; such as Section G series, Section H, Section R (NAVAIR 00-3 5QR-5) for test equipment, Tables of Basic Allowances (squadron columns).
2. Levels of supply and replenishment of the material in item 1 will be based upon lists requirements.
3. Initial outfitting lists covering supply stock items are firm outfitting lists; such as Section A, Section B, Section BR, Section F, Section R (NAVAIR 0035QR-4, 6, 7, and 30 series), and Section Z-30 series. Initial Outfitting Lists and Tables of Basic Allowances (supply officers list). The foregoing lists also may be used as a guide in determining stock levels when supporting a given number of aircraft or equipment.
4. Levels of supply and replenishment of the material in item 3 will be based upon actual operating requirements within the authorized endurance period.

2. CATEGORIES OF MATERIAL COVERED BY NAVAL AIR SYSTEMS COMMAND AERONAUTICAL INITIAL OUTFITTING LISTS, ALLOWANCE LISTS, AND TABLES OF BASIC ALLOWANCES. The following is a list of Naval Air Systems Command Aeronautical Initial Outfitting

Lists, Allowance Lists, and Tables of Basic Allowances, and a brief description of the material covered by each list:

<u>Section</u>	<u>Description of material</u>
A.	Standard aeronautical and Navy Stock Account material (common to designated aircraft classes)
B (series)	Aircraft maintenance parts (peculiar to a specific model of aircraft, target aircraft, or guided missile)
BR (series)	Aircraft and electronics maintenance parts (peculiar to a specific target aircraft or guided missile)
C	Office furniture and labor saving devices
D (series)	Catapult maintenance parts and accessories
E (series)	Arresting gear, barrier and barricade maintenance parts
F-1	Aircraft launching accessories
F-2	Maintenance spare parts for visual landing aids
G (series)	General support equipment for aircraft maintenance
H	Flight operational material (such as flight clothing and accessories)
J	Airplane model spotting templates
K	Naval aeronautics publications and forms
L (series)	Meteorological equipments (including accessories and material)

<u>Section</u>	<u>Description of material</u>
M (series)	Motor vehicles, equipment and repair parts
O	Aviation Armament, handling and tactical, training equipment
P (series)	Photographic material
R (series)	Aeronautical electronics maintenance parts, test sets, and accessories
T (series)	Special maintenance support equipment (for aircraft, engines, and propellers)
X (series)	Maintenance parts and accessories for instrument and armament control systems
Z (series)	Maintenance parts for special and general aircraft and guided missile support equipment items
TBA (series)	Tables of basic allowances (for designated activities)

The Naval Air Systems Command Aeronautical Initial Outfitting Lists, Allowance Lists, and Tables of Basic Allowances are listed in the Navy Stock, List of Publications and Forms, Cognizance Symbol I.

25094 COMMISSIONING AND OUTFITTING OF SHIPS, SQUADRONS, GROUPS, AND WINGS

1. AUTHORIZED ACTIVITIES. The following aviation supply activities have been designated to distribute commissioning allowances for the purpose of supplying initial stocks for ships, squadrons, groups, and wings:

- Naval Supply Center, Norfolk
- Naval Supply Center, Oakland
- Naval Air Station, Jacksonville, Fla.
- Naval Air Station, North Island, San Diego
- Naval Air Station, Alameda



Marine Corps Air Station, Cherry Point (Marine Corps activities only)
Marine Corps Air Station, El Toro (Marine Corps activities only).

2. NAVAL AIR SYSTEMS COMMAND AERONAUTICAL INITIAL OUTFITTING LIST SECTION A MATERIAL

a. Outfitting Allowance. As required, ships carrying, supporting, or tending naval aircraft will be provided with an initial allowance of standard aeronautical material in accordance with the Naval Air Systems Command Aeronautical Initial Outfitting List Section A.

b. Shortages

(1) Commissioning Shortage Reports. Assembly points responsible for furnishing Naval Air Systems Command Aeronautical Initial Outfitting List Section A material will prepare a commissioning shortage report on the date of commissioning of the ship being outfitted, or as otherwise directed by the Naval Air Systems Command. Copies of this report will be sent to the Naval Air Systems Command, to the supply officer of the ship for information, and to the Navy Aviation Supply Office for expediting necessary action. This report will include the shipment request, the requisition or contract number on which the shortage material is due, as well as the required date of assembly of the material, and the activity responsible for shipment. Material expedited by the Navy Aviation Supply Office on the basis of this report will be shipped and invoiced to the responsible outfitting assembly point and not directly to the ship.

(2) Departure Shortage Reports. When a ship is to depart from the area served by an outfitting assembly point, it will forward a departure shortage report (air mail marked "Priority, Attention: Outfitting Section") at least 15 days prior to departure to the outfitting assembly point nearest the destination. Such outfitting assembly points receiving departure shortage reports will make every effort to furnish the shortage items. Copies of this report will be sent to the Naval Air Systems Command, to the fleet air command of the fleet to which the ship is assigned for information, and to the Navy Aviation Supply Office for action. When the shortage items are essential to the combat readiness of the ship, the Navy Aviation Supply Office will insure that these

items are sent immediately to the ship. However, material which arrives after the departure of the ship will not be forwarded to it, but will be placed in stock.

3. NAVAL AIR SYSTEMS COMMAND AERONAUTICAL INITIAL OUTFITTING LIST SECTION B MATERIAL

a. Outfitting Allowance. Control over the distribution to forces afloat of Naval Air Systems Command Aeronautical Initial Outfitting List Section B—Aircraft Maintenance Parts, has been vested in Commander Air Force, Atlantic Fleet; and Commander Air Force, Pacific Fleet. The established fleet distribution activities for this material are Commander Air Force, Atlantic Fleet; and Commander Fleet Air Alameda (Aircraft Material Officer, Oakland). For each new ship being supplied with Naval Air Systems Command Aeronautical Initial Outfitting List Section B material, the Naval Air Systems Command outfitting letter requires the responsible fleet air command to initiate action to assemble the appropriate allowances. The fleet air command will inform the distribution and supply points, the prospective commanding officer, and the prospective supply officer of the unit to be outfitted of the method, time, and place for assembling the Naval Air Systems Command Aeronautical Initial Outfitting List Section B material.

b. Shortages. The responsible fleet air command, after determining the availability of outfitting material from fleet controlled stocks, will prepare and forward to the Navy Aviation Supply Office a tabulation of items not available but required for the completion of the outfitting allowance for each new unit receiving structural and engine spare parts. These Naval Air Systems Command Section B shortage lists are customarily prepared at least 15 days prior to departure of the unit from the place where these allowances are assembled. Upon receipt of this shortage information, the Navy Aviation Supply Office will expedite delivery from the best available source of supply and will inform the Naval Air Systems Command when the delivery of shortage items by an aircraft manufacturer will interfere with the production of new aircraft. In such cases appropriate action will be taken by the Naval Air Systems Command, consistent with the comparative need for complete aircraft or spare parts. The fleet air commands concerned will be responsible for informing

the Navy Aviation Supply Office of the delivery deadline date, and the place where the shortages should, be delivered. In the case of ships outfitting with the Naval Air Systems Command Aeronautical Initial Outfitting List Section B material on the East Coast for eventual duty with the Pacific Fleet, the final departure Section B shortage report will be forwarded by Commander Air Force, Atlantic Fleet, to the Aircraft Material Officer, Oakland, who will determine which items can be made available from the West Coast and will forward the remaining shortages to the Navy Aviation Supply Office for expediting. For ships outfitting with Naval Air Systems Command Aeronautical Initial Outfitting List Section B material on the West Coast for eventual duty with the Atlantic Fleet, the Naval Air Systems Command Section B shortage report will be forwarded by the Aircraft Material Officer, Oakland, to Commander Air Force, Atlantic Fleet, who then will take action to provide the shortages upon arrival of the ship on the East Coast.

4. NAVAL AIR SYSTEMS COMMAND ALLOWANCE LIST SECTION G MATERIAL

a. Outfitting Allowance

(1) General. Aircraft carriers will receive an outfitting allowance of shop, hangar, and deck equipment. Seaplane tenders and nonaviation ships will receive an outfitting allowance of shop, handling, and servicing equipment as set forth in the applicable Naval Air Systems Command Allowance List Section G. The Naval Air Systems Command outfitting letter prepared for each new ship will set forth the place and date of assembly of the material.

(2) Installed Items. Large items of permanent equipment which must be installed in the ship normally will be furnished by the shipbuilding contractor or the Naval Sea Systems Command in accordance with the specifications for the ship. Those items of Navy furnished equipment requiring installation for which the Naval Air Systems Command is responsible will be furnished by the Navy Aviation Supply Office and will be scheduled for shipment to the building yard, to arrive at least 60 days prior to the commissioning date of the ship.

(3) Aeronautical Items. Shop equipment items coming within the stock classification of aeronautical material (commonly known as annex items) and not

requiring installation will be assembled for the outfitting of aircraft carriers and tenders in the same manner as the Naval Air Systems Command Section A, standard aeronautical material allowance.

(4) Standard Stock Material. Standard stock material will be assembled for new ships by an assembly point designated by the Naval Sea Systems Command.

b. Shortages

(1) Contractor Installed Equipment and Naval Air Systems Command Allowance List Section G Material. The supervisor of shipbuilding for the ship will prepare a preliminary shortage report of contractor installed equipment on a date not later than one month prior to the anticipated departure of the ship from the builder's yard. Also, he will prepare a departure shortage report of Naval Air Systems Command Allowance List Section G items on the date of final departure of the ship from the builder's yard. These shortage reports will list all items which are contractor installed, and all contractor furnished Naval Air Systems Command Allowance List Section G items, differentiating between items which are contractor furnished, furnished by the Naval Sea Systems Command, and by the Navy Aviation Supply Office. Copies of both the preliminary and departure shortage reports will be forwarded to the Naval Air Systems Command, the Naval Sea Systems Command, the Navy Aviation Supply Office, and the supply officer of the ship. Activities responsible for furnishing this equipment will expedite action on the basis of the preliminary shortage report. Instructions will be issued by the Navy Aviation Supply Office regarding action to be taken on items on the departure shortage report which are to be furnished by the Navy Aviation Supply Office and will be contractor installed. Equipment furnished by the contractor and the Naval Sea Systems Command requiring installation but arriving subsequent to the departure of the ship will be forwarded by the supervisor of shipbuilding unless otherwise directed by the Naval Sea Systems Command.

(2) Aeronautical Material (Annex Items). Commissioning and departure reports for annex items will be prepared and forwarded by the responsible assembly point with the Naval Air Systems Command Allowance List Section A shortage reports. Responsible activities will take action to supply shortages

and will forward shortage reports in the same manner as outlined for Naval Air Systems Command Allowance List Section A shortages.

(3) Standard Stock Material. The activity requested to assemble standard stock material will submit shortage reports in accordance with the instructions issued by the Naval Sea Systems Command. The designated assembly point will make every effort to furnish the shortages appearing on the commissioning shortage list and also to assemble the Naval Air Systems Command Section G outfitting allowance for that ship upon submission of the departure shortage report. The Navy Aviation Supply Office will request the Naval Supply Systems Command to take appropriate action on items appearing on the departure shortage report which are essential to the combat readiness of the ship.

5. NAVAL AIR SYSTEMS COMMAND ALLOWANCE LIST SECTION L MATERIAL

a. Outfitting Allowance. Activities will be authorized allowances of material and equipment as listed in the applicable column of the latest Naval Air Systems Command Allowance List Section L. Items listed in Parts I and II will be supplied automatically by the Navy Aviation Supply Office in accordance with Chief of Naval Material (Naval Air Systems Command) or Chief of Naval Operations directives. The Naval Supply Centers, Norfolk and Oakland, have been designated as meteorological outfitting assembly points for furnishing meteorological material for the initial outfitting of all activities.

b. Shortages

(1) General. The meteorological outfitting assembly points responsible for furnishing the Naval Air Systems Command Allowance List Section L material will continue to ship all shortage material which may be expected to be delivered prior to the estimated departure date of the ship, shore based squadron, group, or wing. Two shortage reports will be prepared and forwarded by the responsible meteorological outfitting assembly point as shown in subpars. (2) and (3).

(2) Commissioning Shortage Report

(a) Commissioning Shortage Report for Ships. Meteorological outfitting assembly points will prepare

a commissioning shortage report on the date of the commissioning of the ship or as otherwise directed by the Naval Air Systems Command or the Navy Aviation Supply Office. Copies of this report will be sent to the Naval Air Systems Command, to the appropriate supervisor of shipbuilding or naval shipyard, and to the supply officer of the ship for information, and also to the Navy Aviation Supply Office. The Navy Aviation Supply Office will take the necessary action to supply the shortages on the basis of this report.

(b) Commissioning Shortage Report for Shore Based Squadrons, Groups, or Wings. Meteorological outfitting assembly points will prepare a commissioning shortage report on the date of the commissioning of the activity, or as otherwise directed by the Naval Air Systems Command or the Navy Aviation Supply Office. Copies of this report will be sent to the Naval Air Systems Command, to the supply officer of the activity for information, and to the Navy Aviation Supply Office. The Navy Aviation Supply Office will take the necessary action to supply the shortages on the basis of this report.

(3) Departure Shortage Report. When a ship or shore based squadron, group, or wing departs from the area of the initial meteorological outfitting assembly point into the area of the other meteorological outfitting assembly point, the initial outfitting activity will forward to the subsequent outfitting activity in letter form the departure shortage report for action. This report will be forwarded via air mail, marked "Priority, Attention: Outfitting Section," at least 15 days prior to the departure of the ship or shore based squadron, group, or wing. Copies of the departure report will be forwarded to the ship or shore based squadron, group, or wing, to the Navy Aviation Supply Office, and to the Naval Air Systems Command. The initial outfitting activity responsible for submitting the departure shortage reports will, upon submission of these reports, take no further action since the subsequent outfitting activity will be responsible for furnishing all shortage material. This policy is in no way intended to lessen the responsibility of the original outfitting supply activity for furnishing complete allowances, but is intended to curtail the unnecessary shipping of shortage items from one outfitting activity to another. When a newly commissioned ship or shore based squadron, group, or wing is departing from the United States to join in fleet operations, final departure shortage reports will

be forwarded on the date of departure by the initial outfitting activity to the Navy Aviation Supply Office for-action, with copies to the supply officer of the ship or shore based squadron, group, or wing, to the cognizant fleet air command, and to the Naval Air Systems Command. Upon receipt of final departure shortage reports, the Navy Aviation Supply Office will insure that shortage items essential for operational readiness will be forwarded to the ship or shore based squadron, group, or wing and that the supply officer of the ship or shore based squadron, group, or wing, the Naval Air Systems Command, and the cognizant fleet air command will be advised of the method by which these items will be furnished and of the action to be taken on the remaining items.

6. NAVAL AIR SYSTEMS COMMAND AERONAUTICAL INITIAL OUTFITTING LIST SECTION R MATERIAL

a. Initial Outfitting. Control over the distribution to forces afloat of aeronautical electronic material and equipment (associated test equipment except noncritical Class 16 consumable material) has been vested in Commander Air Force, Atlantic Fleet and Commander Air Force, Pacific Fleet. The Naval Air Systems Command has established fleet air distribution activities for electronic equipment and test equipment. The Naval Air Systems Command letter covering the outfitting of each new unit requires the responsible fleet air command to initiate action to assemble the appropriate electronic material except Class 16 consumable items. Accordingly, fleet air commands will be responsible for informing the distribution points and the prospective commanding officer of the unit to be outfitted of the method, time, and place that the electronic material will be assembled and made available. When confidential material is involved, all personnel concerned will be informed, shipment papers will be marked accordingly, and necessary action will be taken to insure security. Initial commissioning allowances of Class 16 consumable material, as listed in the Naval Air Systems Command Aeronautical Initial Outfitting List Section R will be assembled for newly commissioned units (in the same manner as Naval Air Systems Command Aeronautical Initial Outfitting List Section A material by the Outfitting assembly point designated in the Naval Air Systems Command outfitting letter.

b. Shortages. The established fleet air distribution activities for electronic material will prepare a commissioning shortage report (of other than Class 16 consumable items) on the commissioning date of the new unit. Copies will be forwarded to the Navy Aviation Supply Officer and any other addressees as directed by the responsible fleet air command. The Navy Aviation Supply Office then will take action to expedite the delivery of essential commissioning shortages. A final list of shortages will be forwarded by the responsible outfitting point to the Navy Aviation Supply Office and such other addressees as may be designated by the fleet air command. Action will be taken in accordance with the desires of the fleet air command on electronic allowance shortages set forth in the final departure report. The outfitting assembly point designated in the Naval Air Systems Command outfitting letter will prepare a commissioning shortage report on Class 16 consumable material. This report will be prepared and forwarded in the same manner as Naval Air Systems Command Section A shortage reports.

7. NAVAL AIR SYSTEMS COMMAND ALLOWANCE LIST SECTION H MATERIAL FOR AIRCRAFT SQUADRONS, NAVY AND MARINE CORPS

a. Outfitting Allowance. All newly commissioned carrier air groups and Navy and Marine aircraft squadrons which are assigned naval aircraft will be provided an initial outfitting allowance of material required for flight operational purposes in accordance with the Naval Air Systems Command Allowance List Section H. Naval Air Systems Command Allowance List Section H material will be provided these newly commissioned operating activities by a designated outfitting assembly point in accordance with an outfitting directive which will be issued by the Naval Air Systems Command for each such activity.

b. Shortages

(1) Commissioning Shortage Report. The assembly point responsible for furnishing the Naval Air Systems Command Allowance List Section H material will prepare a commissioning shortage report on the date of commissioning of the squadron being outfitted. Copies of this shortage report will be sent to the Naval Air Systems Command, the commanding

officer, and the material officer of the squadron for information, and to the Navy Aviation Supply Office for appropriate action. This shortage report will indicate the shipment request, requisition, or contract number on which the shortage items are due, the date, and the activity requested to supply. Material expedited by the Navy Aviation Supply Office on the basis of this report will be marked "Outfitting material" and will be shipped and invoiced to the assembly point responsible for outfitting and not directly to the squadron. The respective assembly points will be responsible for expediting and following up the delivery of all items of Navy Stock Account standard stock.

(2) Departure Shortage Report. When a streamlined squadron departs from the vicinity of the outfitting activity initially responsible for the assembly of the Naval Air Systems Command Allowance List Section H material and moves to the vicinity of another outfitting activity for additional training prior to departure on its mission, the initial outfitting activity will forward to the subsequent outfitting activity, with an information copy to the commanding officer of the squadron, complete information as to the Naval Air Systems Command Allowance List Section H items not furnished to the squadron. The latter activity then will take all possible action to supply the shortages. When a squadron leaves the United States on its mission, all outstanding obligations for commissioning allowance material listed in the Naval Air Systems Command Allowance List Section H will be canceled, and a list of these canceled shortages will be forwarded by the last outfitting activity to the Navy Aviation Supply Office; the Naval Air Systems Command; the Commander Naval Air Force, Pacific Fleet; the Commander Naval Air Force, Atlantic Fleet; and the commanding officer of the squadron or group.

8. **REFORMED UNITS.** The Naval Air Systems Command will prepare an outfitting letter for each of the activities designated by the Chief of Naval Operations to be reformed. Commanding officers of these activities are required to prepare an inventory of allowance list items on hand before they receive items of the reoutfitting allowance as provided in the Naval Air Systems Command letter. Since it is common practice to assign a large number of new

personnel to such activities at the time they are reformed, the local fleet air command, the previous commanding officer, and the new commanding officer will take the necessary actions to insure that allowance list material and equipment be retained for subsequent use by the unit when reformed, and that such material is not misappropriated by personnel being detached. The procedure described for shortage reports also will be followed.

9. **DEPARTURE SHORTAGE REPORTS.** The policy of preparing departure shortage reports does not in any way remove the prime responsibility of the designated outfitting activity for furnishing a complete outfitting allowance. Instead this procedure is intended to curtail the shipment of shortage material from one station to another for squadrons or ships which have departed from the initial outfitting points.

25095 ISSUES OF FUEL TO CUSTOMER SHIPS

1. **DETERMINATION OF QUANTITY.** When issues of fuel are made to customer ships, representatives of the shore station and receiving ships will, in company, gauge the shore tanks from which the fuel is discharged both before and after delivery. In the case of tankers, the representative will be a member of the supply department; in all other ships, a member of the engineering department. An agreement as to quantity must be reached by the representatives of both components. The agreed quantity is made a matter of record by both parties and agrees with any routine reports submitted. In the event the receiving ship fails to carry out these instructions, or in the event an agreement as to quantity cannot be reached, the quantity as determined by the shore activity will be conclusive. If the shore station is discharging to two or more ships and agreements as to quantity cannot be reached, the total amount as determined by the shore station will be prorated to the individual ships on the basis of the amounts indicated by their tank gaugings.

2. **DETERMINATION OF QUALITY.** The shore station will furnish the receiving ships with a copy of the analysis of the fuel issued.

Subsection 4: PUBLICATIONS AND FORMS, COGNIZANCE SYMBOL I

25106 SCREENING

Requisitions received from afloat and ashore activities will be screened and processed as outlined in MILSTRIP/MILSTRAP. Any item which cannot be identified will be screened against the Navy Stock List of Publications and Forms, Cognizance Symbol I, and identification aids provided by the Naval Publications and Forms Center, Philadelphia. The Navy Stock List of Publications and Forms, Cognizance Symbol I, will be utilized in determining whether or not an item comes under another distribution system. When so identified, requisitions will be forwarded to the appropriate stock point. When the request document cannot be identified, the requisition containing unidentified items will be forwarded to the Naval Publications and Forms Center, Philadelphia, to expedite processing unidentified items. On a multiple item requisition, the unidentified items will be abstracted to a separate requisition by the stock point prior to forwarding to the Naval Publications and Forms Center, Philadelphia.

25107 FINANCIAL EDITING

1. GENERAL. Financial editing is required for only that cognizance symbol I material carried in the Navy Stock Account. Cognizance symbol I, material control code L material and material identified by the first two digits of 01 (forms) or 07 (laminated placards) of the 13 digit cognizance symbol I ordering number is carried in the Navy Stock Account. Each of the requisitions for stock funded cognizance symbol I material will be edited to insure the inclusion of the unit identification code for the requisitioning activity, the correct appropriation, functional account, and open allotment number in accordance with the Navy Comptroller Manual, Volume 2. All requests will pertain to one of the categories in subpars. 2-7. Financial editing is not required on requisitions for cognizance symbol I material not carried in a stock account.

2. SHIPS AND STATIONS AND HEADQUARTERS, U.S. MARINE CORPS. All requisitions for cognizance symbol I forms received from ships and stations and Headquarters, U.S. Marine Corps must cite the applicable bureau control and appropriation number listed in the Navy Comptroller Manual, Volume 2, and the unit identification code of the

requisitioning activity. Request documents received from the Military Sealift Command activities will cite unit identification code 62387 in lieu of bureau control and appropriation number. These documents will be recorded as reportable demand and mechanized activities will code such issues as balance sheet caption code H.

3. ARMY AND AIR FORCE ACTIVITIES ACTING AS SUPPLY POINTS FOR NAVY SINGLE MANAGERS. All requisitions for Navy forms from Army or Air Force activities acting as supply prints for Navy single managers will be charged to the open allotment authorized by the Naval Supply Systems Command and listed in the Navy Comptroller Manual, Volume 2.

4. PRIVATE PARTIES, NAVY SPONSORED ACTIVITIES, COAST GUARD ACTIVITIES, OTHER GOVERNMENT DEPARTMENTS, AND FOREIGN GOVERNMENTS. All requisitions from private parties, Navy sponsored activities, Coast Guard activities, other government departments including the Department of Defense (excluding Military Sealift Command activities), and foreign governments will be considered cash sales. Requisitions from other government departments must include the current appropriation and the name and address of the office to which the bill will be forwarded. These documents will be recorded as reportable demand and mechanized activities will code such issues as balance sheet caption code S.

5. MILITARY ASSISTANCE PROGRAM. All requisitions chargeable to Military Assistance Program funds will be recorded as reportable demand and mechanized stock points will code such issues as balance sheet caption code C.

6. COMMISSIONING ALLOWANCES. Requisitions for commissioning allowances will be recorded as reportable demand and mechanized activities will code such issues as balance sheet caption code H.

7. INTERNATIONAL FUNDS. All requisitions chargeable to international funds as prescribed in the Navy Comptroller Manual, pars. 0359024)359 10, will be recorded as reportable demand and mechanized activities will code such issues as balance sheet caption code C.

8. SPECIFIC INSTRUCTIONS. Documents requesting cognizance symbol I forms not clearly identified as one of the transactions shown in sub pars. 2-7 will be returned to the "originator for inclusion of accounting data. Requisitions from ships and stations and Military Sealift Command activities reflecting charges to operating allotments may be corrected by the stock points, if the applicable open allotment and appropriation data can be determined. The originator will be notified of such change.

25108 ANNOTATING AND STAMPING REQUISITIONS

1. GENERAL The symbols used to denote material availability y will be as follows:

<u>Symbol</u>	<u>Meaning</u>
✓	will be supplied from stock.
S or U.	due; will be supplied when available.
P	will be purchased and supplied.
M.	will be manufactured and supplied.
F.	forwarded for action as indicated.
C	canceled for reason shown below.
I	cannot identify; verify stock number and nomenclature.
R	replacement, interchangeable, or substitute item supplied.

Items will not be lined through unless abstracted to a separate Requisition and Invoice/Shipping Document (DD Form 1149) and then an appropriate notation will be made.

2. LIST CHANGES. Changes, amendments, or supplements are controlled on a line item basis. Therefore, it is essential that each be itemized. Stock points will clearly annotate the requisition to show the identification of each change issued. If some changes are not issued because of a not-in-stock position, each change not issued will be entered on the requisition as individual new line items. If additional space is required a supplemental requisition will be prepared and attached to the original.

25109 ISSUE PROCEDURES

1. GENERAL. The issue procedures prescribed in pars. 25000-25180 will be followed except as prescribed herein. When a requisition such as requests bearing priority designators 01 through 08 for not-in-

stock (NIS) and not carried (NC) items is passed to another stock point or when an item is canceled, one copy of the requisition indicating supply action taken will be forwarded to the requisitioning activity. Requisitions received for an item requiring bureau, command, or office approval will be processed in accordance with par. 25112 and the action copy of the requisition will be returned to the requisitioning activity.

2. ISSUE OF CHANGES. Publications to which changes, amendments, or supplements have been made prior to receipt will be recorded on inventory control records as the basic publication only and will be issued accordingly. When a publication in which a change has already been incorporated is issued, the incorporated changes will be disregarded. All applicable changes, amendments, or supplements will be issued simultaneously with the basic publication.

25110 ACCOUNTING FOR ISSUES

1. COGNIZANCE SYMBOL I MATERIAL CARRIED IN THE NAVY STOCK ACCOUNT

a. Issues for End Use to Navy Activities, Marine Corps Activities, and the Military Sealift Command. Individual end use issues (including credits) to Navy activities, Marine Corps activities, and the Military Sealift Command will be made on regular issue documents citing open allotments established in the Navy Comptroller Manual, Volume 2, except that accounting number 62387 will be used in lieu of an open allotment number for all issues to the Military Sealift Command. In lieu of processing these issues through financial ledgers in the normal manner, stock points will accumulate issues by the open allotment numbers cited on the customer's requisitions (material control codes A and L separately, material control codes F and C combined) during the month. At the end of each month, the issues will be summarized by open allotment (material control codes A and L separately, material control codes F and C combined) and invoiced to the Naval Publications and Forms Center, Philadelphia, as a transfer between supply officers for central billing purposes. The invoices will be submitted to arrive at the Naval Publications and Forms Center, Philadelphia, by the seventh of the following month.

b. Issues to Other than Navy Activities. Issues of cognizance symbol I material may be made to

activities other than Navy activities only when authorized in accordance with pars. 25112 and 25113. Accounting for issues will be as prescribed therein.

2. **MATERIAL NOT CARRIED IN THE NAVY STOCK ACCOUNT.** Issues of cognizance symbol I material that is not carried in the Navy Stock Account will be made on a no charge basis except that reimbursement may be required for issues to other than Navy and Marine Corps activities and the Military Sealift Command when directed by the Naval Publications and Forms Center, Philadelphia, or the sponsoring bureau, command, or office.

25111 CONTROLLED MATERIAL

1. **GENERAL.** Material that is classified or is issued by serial numbers, such as military identification cards and government bills of lading, is controlled material. Issues and receipts of this material will be recorded on a publication record card or other suitable form. A separate record will be maintained for each controlled item. All classified material will be issued in accordance with the Department of the Navy Supplement to the DOD Information Security Program Regulation. Classified and controlled material will be so designated in the Navy Stock List of Forms and Publications, Cognizance Symbol I, and in inventory control records.

2. **SERIALIZED GOVERNMENT BILLS OF LADING.** The General Accounting Office requires that strict accountability be maintained at all times for serialized government bills of lading. Therefore, all receipts and issues of serialized government bills of lading will be included in an appropriate record. For example, the Naval Publications and Forms Center, Philadelphia, will maintain an accountable record on bills of lading furnished to primary stock points. These stock points will, in turn, maintain a record of bills of lading received and issued to other stock points or issuing activities. Entries to indicate government bills of lading which may have been lost, stolen, or surveyed also will be recorded. When government bills of lading are found to be missing or stolen, a report listing the prefix symbol and serial numbers involved will be submitted to the Navy Regional Finance Center, Washington, D.C., so that appropriate action may be taken. No other reports will be required.

25112 ISSUES TO OTHER THAN NAVY ACTIVITIES

1. **GENERAL.** Cognizance symbol I material may be issued or sold to other departments and agencies of the Government, Navy sponsored activities, private parties, and foreign governments in accordance with existing Naval Supply Systems Command and Naval Publications and Forms Center supply support policies and procedures.

2. **CLASSIFIED MATERIAL.** Requests for classified forms and publications received direct from private parties and foreign governments will be forwarded to the sponsoring bureau, command, or office for approval prior to issue.

3. **BUREAU OF NAVAL PERSONNEL PUBLICATIONS.** All requests for publications sponsored by the Bureau of Naval Personnel will be forwarded to the Chief of Naval Personnel for approval prior to issue.

4. **NAVAL SEA SYSTEMS COMMAND MECHANICAL AND ELECTRICAL PUBLICATIONS.** Naval Sea Systems Command mechanical and electrical technical publications requiring sponsor approval before issue will be forwarded for approval via the appropriate channel of supply.

5. **EXCESSIVE QUANTITIES OF PUBLICATIONS OTHER THAN BUREAU OF NAVAL PERSONNEL AND NAVAL SEA SYSTEMS COMMAND MECHANICAL AND ELECTRICAL.** All requests for publications in excess of 10 copies, excluding Bureau of Naval Personnel sponsored publications and Naval Sea Systems Command mechanical and electrical technical publications, will be forwarded to the Naval Publications and Forms Center, Philadelphia, for approval prior to issue.

25113 ACCOUNTING FOR ISSUES TO OTHER THAN NAVY ACTIVITIES

1. **GENERAL.** Issues or sales of cognizance symbol I material to other than Navy activities will be accounted for in accordance with subpars. 2, 3, and 4.

2. **NAVY STOCK ACCOUNT MATERIAL.** Sales of Navy Stock Account material will be made in

accordance with standard cash sale procedures with billing and collection of funds to be accomplished locally by the issuing stock point.

3. MATERIAL NOT CARRIED IN A STORES ACCOUNT. Publications that are not carried in a stores account will be issued at no charge unless otherwise directed by the sponsoring bureau, command, or office, or by the Naval Publications and Forms Center, Philadelphia, as outlined in par. 25112.

4. ISSUES FOR THE INTERNATIONAL LOGISTICS PROGRAM

→ Navy International Logistics Control Office NAVMILCO, Philadelphia. International Logistics program requisitions received by the Navy International Logistics Control Office, Philadelphia will be processed in accordance with par. 25112. Upon approval by the publication sponsor, the requested publication will be issued and charges will be made in accordance with current foreign military sales or grant aid pricing policies.

b . Stock "Points. Material to fill International Logistics Program requisitions will be invoiced as a transfer between supply officers to the Navy International Logistics Control Office, Bayonne, under normal International Logistics Program procedures.

25114 RESTRICTED ISSUE ITEMS

Approval codes for cognizance symbol I material are shown on the stock balance cards. Descriptions and procedures covering approval codes are shown in the Navy Stock List of Publications and Forms, Cognizance Symbol L Requisitions received for restricted issue items will be screened to make certain that they are prepared and submitted in accordance with the Navy Stock List of Publications and Forms, Cognizance Symbol L

25115 CONSUMER ACTIVITIES AND SHIPS, SURVEY

Since cognizance symbol I material is not financially accountable at the consumer level, consumer activities and ships will not survey, but will dispose of items which are unfit for use in accordance with existing instructions and the Department of the Navy Supplement to the DOD Information Security Program Regulation.

25116 STOCK POINTS-SURVEY PROCEDURES

1. GENERAL. Survey procedures outlined in pars. 25155-25165 are applicable to cognizance symbol I material. When stores account material is surveyed because of obsolescence, excess determination, losses in store or other causes, it will be expended directly from the account and class in which held at the time of initiation of survey action in accordance with par. 25162 -4d. Claims against carriers for shortages or damages in shipment will be made on Discrepancy in Shipment Report (Standard Form 361) and will be processed as described in pars. 23103,23104, and 57073.

2. OBSOLETE ITEMS. Obsolete items (other than material control code L items which may be disposed of on the basis of local considerations) will be disposed of only when directed by the Naval Publications and Forms Center, Philadelphia. The Naval Publications and Forms Center, Philadelphia, advises stock points of obsolete material to be disposed of by forwarding a Change Notice (NavSup Form 796) with type change code DN or other appropriate change code punched and interpreted therein. When these change codes do not apply, specific instructions will be provided by the Naval Publications and Forms Center, Philadelphia. Survey documents will not be prepared covering material declared obsolete by the Naval Publications and Forms Center, Philadelphia.

Subsection 5: TRANSFERS

25120 TRANSFERS TO SHIP'S STORES AFLOAT AND TO COMMISSARY STORES

Navy Stock Account items, including clothing, requisitioned for resale by ship's stores afloat and by commissary stores will be transferred by the issuing activity in cognizance symbol 1 Q only. If the material

is carried in other than cognizance symbol 1 Q by the issuing activity, a transfer will be effected using financial inventory report code MA expenditure from the carrying cognizance symbol, and financial inventory report code D2 receipt into cognizance symbol 1Q. The amount then will be expended as an other supply officer transfer in cognizance symbol 1 Q using financial inventory report code P4.

Section V: PHYSICAL MOVEMENT OF MATERIAL

25130. ASSEMBLY OF MATERIAL

1. **ISSUE OF MATERIAL.** Material will be issued by the storage branch in strict accordance with the quantity and unit of issue indicated on the copies of the DOD Single Line Item Receipt/Release Document (DD Form 1348-1) and the Requisition and Invoice/Shipping Document (DD Form 1149). Storekeepers will remove material from bin or bulk stock by assembling material for one invoice at a time. This will eliminate the possibility of material from one invoice being mixed with material of another invoice. As material is removed from store, storekeepers will indicate issue in stated quantity by a check mark opposite the quantity indicated on the invoice form.

2. **DELIVERY OF MATERIAL TO PACKING AND PRESERVATION SECTION.** When assembly of material is completed, the storekeeper will sign the proof of delivery copy of the invoice. The proof of delivery copy, packing copies, and copy for non-accountable activity will be attached to the material for delivery to the packing and preservation section.

25131 PACKING

1. **CHECKING INCOMING MATERIAL.** Material issued from store will be received in the packing and preservation section by an incoming material checker who will remove the invoices attached to the material and will ascertain that items indicated by the issuing storekeeper have been delivered. In the event of a discrepancy, the checker will take immediate corrective action. In no case will material be moved from the checking station to incoming or holding base until correction has been made. These checkers will determine whether material requires additional preservation-packaging, packing, overpacking, or remarking of containers. Based upon guidelines furnished by the

traffic section, consideration will be given to the freight classification of the item. At the option of the local command, an advance copy of the expenditure invoice may be routed to the traffic branch for annotation of the actual freight classification and return of the invoice to the packing section as an aid in segregating items of different freight classifications in order to avoid payment of transportation charges based on the highest rated item contained in the shipment. The material then will be segregated and placed in incoming bays in accordance with packing requirements. Small items will be stored temporarily in racks. Inbound material checkers will indicate on the proof of delivery copy of the invoice the bin or bay location of the material. The inbound checker will sign the proof of delivery copy after checking and unloading of the material.

2. **PACKING SCHEDULE FILE.** Invoices attached to material received will be forwarded to the packing schedule file, if established, for matching with the packing schedule invoice filed by schedule time, date, and consignee. When a packing schedule file has not been established based on an advance copy of the expenditure invoice, a schedule file will be established upon receipt of the material and copies of the expenditure invoice from the storage section. This file will be established so that the packing supervisor may quickly determine the oldest invoice being held for packing, and provide for the withdrawal of control copies when the material is ready for release. Scheduled and routine invoices may be consolidated with higher priority invoices when such consolidation will result in economies and permit meeting the required delivery date assigned to emergency and scheduled invoices. In scheduling material for packing, care will be exercised to insure that consolidation of invoices does not result in

delayed delivery of high priority requirements.

3. MOVEMENT OF MATERIAL TO PACKERS. Expenditure invoice documents will be used for locating and moving material from temporary storage areas to the packers. Master destination stencils will be maintained in the files. A master destination stencil will be used or a stencil will be cut from the delivery data on the expenditure document. The material with the expenditure documents, the destination stencil, and blank packing lists as required, will be forwarded to the packers in strict schedule sequence. Determination will be made previously of the volume of packing, overpacking, or remarking required and this time element will be taken into consideration in meeting schedule times allowed.

4. PACKING LIST. Except for parcel post shipments and packages with the full description of the contents printed or stenciled on the outside, the packers will pack or overpack the material and will prepare a Packing List (NavSup Form 225), showing the number of the container, type of container, invoice number, item, and quantity of item. Each container will be numbered consecutively starting with the number one and will show, in addition, the total number of containers in the shipment, that is, box 2 of 8, indicated as PKG2/8. A copy of the packing list will be placed inside of the container on top of the contents, and a copy placed in a waterproof envelope attached to the outside of the container. When it is unnecessary to prepare separate packing lists for each container, the DOD Single Line Item Release/Receipt Document (DD Form 1348-1) will be marked to indicate the freight classification and the number of the container into which individual items are packed. Containers packed for one invoice will be held intact by the packer and will not be moved for subsequent operations until the complete invoice has been packed and assembled. The outside packing copy of the invoice, the file copies of the packing lists, and other copies of the invoice will be attached to the outside of the first container, and the inside copy of the invoice will, be placed inside the last container. The last container will be marked on the outside to indicate that invoice is enclosed. The first container then will be moved into the conveyer line for subsequent operations with the other containers following.

5. MOVEMENT OF MATERIAL TO SHIPPING SECTION. After all containers packed for one invoice have passed over the scales, the dimensions, cube, and weight will be indicated on all copies of the NavSup Form 225 or on the *proof* of delivery and consignee

copies of DD Form 1348-1, as appropriate. Dimensions and cube for small "less than pallet load containers for other than air or water shipments need not be shown on copies of the packing list or invoice. The outside packing copy of the invoice attached to the first container will be removed and enclosed in a waterproof envelope affixed to the outside of the first container. If NavSup Form 225 was prepared for the container, the outside copy of the invoice and a copy of the packing list will be placed in the same envelope which will be tacked, stapled, or otherwise securely fastened to the outside of the container. The proof of delivery and consignee copies of the invoice, and the copies of the packing lists will be attached to the outside of the first container for subsequent removal to the shipping section after all containers packed for one invoice are assembled.

25132 LOCAL DELIVERY

1. GENERAL. The delivery section of the traffic branch is responsible for the delivery of material to activities in the area. For purposes of this paragraph, the local delivery procedures also will apply when the consignee picks up his own material. Local deliveries will be made insofar as possible on the basic issue or receiving document. Only classified materials, security cargo as locally defined, label cargo, and cargo requiring highway clearance, will be moved on an additionally prepared document. Normally material requiring delivery will not require packing and no advance copy of the issue document will be forwarded to the packing and preservation section. Delivery may be effected from the delivery section or from a stores section if the volume of material from a stores section to one or more consignees located within the delivery area is large enough to effectively utilize available transportation.

2. IDENTIFICATION OF DOCUMENTS

a. Issues from Storage. The storage unit will screen all issue documents for eligibility of the consignee for local delivery service. When local delivery is appropriate, the inscription "Local delivery" will be stamped on the shipping and proof of shipment copies of the issue document prior to issuance of material.

b. Delivery of Transshipments. The receiving unit will screen all receipts for eligibility of the ultimate consignee for local delivery service. When local delivery is appropriate, the inscription "Local delivery" will be stamped on two copies of the receipt document.

c. Locator Information. The delivery section will keep the storage and receiving units furnished with current lists of those activities and ships eligible for local delivery.

3. STORAGE PROCEDURES

a. Issue. Material issued for those consignees receiving local delivery service will be delivered in original containers (shelf package) or will be storekeeper packed. Each container will be identified with the requisition or invoice number in addition to the name of the consignee. Fragile materials will be packed adequately to insure safe delivery to local delivery consignees.

b. Issue Document Procedure. The issuing storekeeper will annotate on the proof of delivery copy of the issue document the number of packages and the estimated weight and cube. At the time these entries are made, the storekeeper will separate the proof of delivery copy from the other copies of the issue document. The proof of delivery copy will be attached to the container separately in order to facilitate its removal by the local delivery section. When the container or material is of such a nature that the issue document must be tied or otherwise secured on the material, the proof of delivery copy will be placed on the top of the remaining copies of the issue document. All copies of the documents for the consignee will be fastened to the outside of the container or on the material. In the case of small packages (40 pounds or less or two cubes or less), the weight and cube data need not be inscribed on the issue documents. Instead, the average weight and cube data for work measurement reporting will be determined through sampling.

c. Preparation for Delivery. To facilitate staging of materials in the local delivery section for subsequent truck loading, small packages will be consolidated by storage personnel into suitable reusable delivery containers or large sacks similar to mail or grain bags. When volume warrants, a single delivery container or bag will be made for each consignee activity; otherwise, all packages will be placed into containers as they become available from storage. The proof of delivery copy for each package placed in the container or sack will be removed, batched, and the batch attached to the delivery container or sack in such a fashion as to be removed with ease in the delivery section.

d. Small Item Issues. When the size of an item is so small as to create loss possibilities, a paper or transparent film bag may be utilized by the storekeeper in the packing, and these bags placed in a single container.

When this is done, the storekeeper will remove the proof of delivery copies for attachment to the outside of the container in which the bags may be consolidated.

4. MOVEMENT FROM STORAGE

a. General. The storage and delivery sections affected will schedule pickups of small lots from storage for movement to the delivery section on an automatic basis to the *maximum* extent permitted by the volume of the material.

b. Bulk Lot Delivery. Bulk lot deliveries will be those consisting of one truckload or more and will be held at the storage location until the delivery section has arranged the necessary pickups. Storage personnel will notify the delivery section of availability of bulk lot shipments.

c. Fragile Material. Only fragile local delivery material requiring special packing will be forwarded to the packing section. After packing has been accomplished, this material will be delivered to the delivery section.

5. DELIVERY SECTION

a. General. Upon arrival in the delivery section, the material will be unloaded into a segregating bay or delivery staging area established for each consignee activity or group of consignee activities. Small packages for ships and store activities will be segregated and consolidated into delivery containers or bags by ultimate consignee, if this has not already been done in the storage unit.

b. Proof of Delivery. As staging of all material is underway, the delivery section warehouseman will remove the proof of delivery copies. When material has been dispatched from the delivery section, all proof of shipment copies, annotated with delivery data, will be forwarded immediately to issue control.

c. File Maintenance. When proof of shipment or proof of delivery files are maintained on electric accounting machine cards, magnetic tape, or random access disc records, maintenance of the DOD Single Line Item Release/Receipt Document (DD Form 1348-1) showing evidence of shipment is not required. Signed copies of DD Form 1348-1 will be maintained for issues of narcotics, drugs, and classified and pilferable type items.

6. TRANSSHIPMENTS. Transshipment received from line-haul carriers and processed for local delivery will be handled

similarly to the procedures for stock issue material except that movement to the delivery section will be accomplished on the receiving documents. Proof of delivery will be retained in the bill of lading file for shipments involving narcotics; drugs; articles coded "K" in the Federal Supply Catalog, Department of Defense Section, Medical Material; high value asset control items; classified items; and highly pilferable items.

7. DRIVER CONTROL

a. General. If the material is accumulated in the delivery section prior to delivery, the procedure set forth in subpar. b will be followed. If it is more efficient to effect delivery from the stores section without prior consolidation in the delivery section, the procedure set forth in subpar. c will be followed.

b. From Delivery Section. When delivery is to be made from the delivery section, the advance copy, proof of delivery copy, and delivery copies of the issue documents will be removed from the delivery control file prior to schedule time. A driver and equipment will be assigned to effect delivery of material to adjacent consignees or destinations. The material will be removed from the temporary storage bay in accordance with the location indicated on the proof of delivery copy. The receipt of the driver assigned to effect delivery of the material will be obtained on the delivery copy of the expenditure document which will be filed by document number in a pending delivery file. Upon delivery of the material, the driver of the conveyance will obtain the consignee's receipt on the proof of delivery copy and will deliver the advance and packing copies with the material. The proof of delivery copy will be returned by the driver to the delivery section where the proof of delivery copy will be matched with the driver control copy. If in agreement, the proof of delivery copy will be forwarded to the issue control branch and the driver control copy will be destroyed.

c. From Stores Section. When material is ready for pickup for delivery from the stores section, the delivery section will assign a driver and equipment to effect delivery of the material. The delivery copy of the issue document will be removed from the delivery control file and turned over to the driver. The driver will pick up the material with the proof of delivery, packing, and delivery copies from the stores section and will receipt for the material on the driver control copy which will be returned to the delivery section by the stores section concerned via regular messenger service. Upon delivery of the material, the driver of the conveyance will obtain the consignee's receipt

on the proof of delivery copy and will deliver the advance and packing copies with the material. The proof of delivery copy will be returned by the driver to the delivery section where it will be held pending receipt of the driver control copy from the stores section. When both the proof of delivery copy and the driver control copy have been received, they will be matched and, if in agreement, the proof of delivery copy will be forwarded to the issue control branch and the driver control copy will be destroyed.

d. Optional On-Station Delivery Procedures. When the workload makes it impracticable to secure the driver's signature on each delivery copy of the expenditure document, either of the following optional procedures may be utilized:

1. A list may be made of the numbers of the expenditure documents turned over to the driver; the driver will sign the list and the delivery control copies will be attached to the list.
2. The delivery control copies of the documents may be placed in an envelope which will be sealed in the presence of and signed by the driver.

When returned, the signed proof of delivery copies will be matched with the retained copy in the same manner as when the individual copy is signed by the driver.

e. Local Elimination of Driver Control for On-Station Deliveries. When, in the opinion of the commanding officer, the proof of delivery copy will be returned expeditiously without driver control, the commanding officer may direct that driver control be discontinued. In these instances, adequate controls will be established to insure that the proof of delivery copy is returned promptly to the delivery section.

f. Optional Off-Station Delivery Procedures

(1) General. When the workload makes it impracticable to secure the driver's signature on each delivery copy of the expenditure document, the procedures in subpars. (2), (3), and (4) may be utilized for deliveries of other than material issued as a direct charge to the Navy Industrial Fund.

(2) Normal Deliveries. The delivery section will prepare a Transportation Control and Movement Document (DD Form 1384) for each delivery, listing expenditure document numbers and total number of packages. A local number will be assigned each delivery and will be inserted on the DD Form 1384. Following the physical count of the number of packages or pieces loaded aboard the Navy conveyance, the driver will sign a copy of the DD Form 1384 which will be retained in a suspense file in the delivery section with

the delivery control copies of the expenditure documents. A copy of the DD Form 1384 with the consignee's copies of the expenditure documents attached will be furnished the driver. The receiving activity will receipt for the number of packages or pieces delivered on the driver's copy of the DD Form 1384 and the consignee copies of the expenditure documents will be turned over to the receiver. The driver will return the signed proof of delivery copy of the DD Form 1384 to the delivery section of the shipping activity at which time the DD Form 1384 will be matched with the suspense copy and retained.

(3) Voluminous Deliveries. If the volume of material to be checked by the receiving activity will appreciably delay the driver and when mutually acceptable to the activities concerned, the receiving activity will expeditiously forward the signed proof of delivery copy of DD Form 1384 to the delivery section. If a shortage is noted after the driver has departed, the shipping activity will be notified by telephone as soon as practicable.

(4) Matching Procedure. Upon receipt of the proof of delivery copy of the DD Form 1384, the delivery section will stamp the proof of delivery copies of the expenditure invoices with the number of the DD Form 1384 and date of delivery and forward them to the issue control branch. The driver control copy of the DD Form 1384 retained by the delivery section will be matched with the proof of delivery copy and then destroyed. The proof of delivery copy will be retained as part of the permanent record of the delivery section.

25133 PROPERTY PASS CONTROL

1. PROPERTY PASS FOR MATERIAL FROM SUPPLY SYSTEM STOCKS

a. Preparation. A Property Pass (NavSup Form 155) will be prepared by the delivery section or the shipping section for each shipment of government owned material requiring delivery or shipment outside of the supply activity. NavSup Forms 155 are numbered serially and will refer to all invoices, bills of lading, or the Transportation Control and Movement Document (DD Form 1384). The NavSup Forms 155 will be signed by commissioned officers or by civilian personnel designated by the commanding officer. Such designations will be held to a minimum. Under no circumstance will the NavSup Form 155 be signed in blank.

b. Posting of List of Signatures of Personnel Authorized to Sign Property Passes at Gates. For verification purposes, a list

of signatures of personnel designated by the commanding officer to sign the NavSup Forms 155 will be posted at all gates. Corrections to the posted list will be made as additions, deletions, or changes occur in order to assure that release of the material is properly authorized.

c. Release of Government Owned Material. Before release of government owned material from the physical limits of the activity, security personnel at the gate will verify the signature and check each NavSup Form 155 against the material and the invoice, bill of lading, or the DD Form 1384, insofar as practicable. The NavSup Forms 155 will be retained to the issuing authority in accordance with local regulations.

2. OPTIONAL PROCEDURE--MATERIAL COVERED BY BILL OF LADING OR DD FORM 1384. When material is covered by a bill of lading or a DD Form 1384, the following procedure may be used in lieu of the procedures in subpar. 1. A copy of the bill of lading or the DD Form 1384 stamped on the reverse "As per invoice(s) listed on the face of the document. Signed _____" will be provided to check material going through the gates. Security personnel "will check the bill of lading or the DD Form 1384 against the material and invoices insofar as practicable. In the case of sealed carriers, the car or van number will be checked against the number entered on the bill of lading or the DD Form 1384. After checking, the copy of the bill of lading or the DD Form 1384 will be processed in the same manner as the NavSup Form 155.

3. MISUSE OF PROPERTY PASS. The NavSup Form 155 is used as a valid system of permitting the authorized removal of government property from naval activities through control points and access gates. It will not be required for personal property except in those rare instances when the property is difficult to distinguish from government property.

4. PROPERTY PASS FOR MATERIAL FROM PROPERTY DISPOSAL ACCOUNTS

a. The Property Disposal Officer. The property disposal officer at a holding or selling activity will be responsible for the delivery of property which is sold, transferred, or donated from his account. The property disposal officer may delegate the actual verification of loading, type, count, or weight of the property; such delegation does not, however, relieve the property disposal officer of his responsibility or accountability.

b. Property Pass

(1) Material Released to Successful Purchaser. The Notice of Award, Statement, and Release Document (DD Form 1427 or other approved receipt/delivery pass, as appropriate, will be used as a property pass for material released to successful purchasers. Instructions on the use of DD Form 1427 are contained in the Defense Disposal Manual.

(2) Material Transferred or Donated. The NavSup Form 155 will be used for removal of material transferred to federal agency activities and for property donated to authorized donees.

c. Verification of Delivery of Material. Prior to releasing a shipment, the property disposal officer or his authorized representative will verify the delivery of all material by physically witnessing the loading of the shipment and the type of material loaded. The actual count of material not released by weight will be verified by the property disposal officer or his authorized representative. When shipments requiring accurate weights are made by a naval activity equipped with adequate scales which are owned, operated, and within the confines of the activity, the vehicles will be weighed "in light and "out heavy" on certified public scales. The property disposal officer or his delegated representative may witness the weighing procedure at commercial scales if certified public scales or government scales are not available. The person who witnesses the actual loading of property will indicate by signing the DD Form 1427, the NavSup Form 155, or other receipt/delivery pass, as appropriate that he physically witnessed the loading of property and that the type and count or weight of the property are as attested on the property pass. The property disposal officer may retain the authority to countersign the property pass as a requirement for release of the property from government premises.

25134 SHIPPING

1. RECEIPT OF CONTAINERS. Upon receipt of the containers in the shipping section, the packing lists, proof of delivery copy, consignee copy, and nonaccountable activity copy of the invoice will be removed from the outside of the first container and the number of containers represented by the packing lists and the invoice will be verified. Material will be stored and the rack and bay location will be indicated on the packing lists. It is not essential that material be segregated by consignee at this point. Packing lists and proof of delivery copy, consignee copy, and nonaccountable activity copy of the invoice will be forwarded to the shipping section office.

2. SHIPPING SCHEDULING FILE. Proof of delivery copy, consignee copy from the packing and preservation section, and non-accountable activity copy of the invoice will be matched with the shipping schedule copy of the invoice (consignee copy), if established, which has been filed in the shipping scheduling file by the schedule time, date, and consignee. Copies of the invoices for all transactions for shipment to a common destination will be removed from the file in accordance with the schedule time. Expenditure invoices and copies of packing lists which have been prepared will be used as a basis for freight classification and for preparation of a bill of lading. Packing lists copies will be retained for at least 30 days.

3. MARKING OF SHIPMENTS. All boxes will be stenciled in accordance with Military Standard Marking for Shipment and Storage (MIL-STD-129, as amended) observing the consignment instructions provided in pars. 52350-52371. Prior to release of shipments the destination markings will be checked to conform with consignment instructions on the covering bill of lading. If necessary, corrections will be made or additional markings supplied. In addition, all containers in shipments destined for transshipment to overseas bases or activities, not already properly marked, will be marked with the net weight of the contents and the gross weight and cubic measurement of the package, unless it is known that the customs regulations of the destination country do not require net weight to be marked on the package.

25135 DISTRIBUTION OF INVOICES

1. CONSIGNEE COPIES

a. General. The forwarding of consignee copies of DOD Single Line Item Release/Receipt Document (DD Form 1348-1) will normally constitute a shipping notice. Consignee copies will be transmitted on the same day shipment is made and by a method that will insure receipt by the consignee prior to or concurrent with the receipt of the material. Transmittal of consignee copies of invoices will be made in accordance with subpar. b, c. or d.

b. Rail and Truck Shipments. Consignee copies will be mailed with the original bill of lading except when it is apparent that the material will arrive at destination prior to mailed shipping notice. Regular or priority will be used as appropriate to insure that the shipping notice will arrive at the receiving activity before the material. When it is apparent that the material will arrive at

destination prior to the mailed shipping notice, consignee copies of the invoices with the original bills of lading will be forwarded in a Waterproof Envelope (NIS Form 48) with the material under the conditions prescribed in par. 57471-1.

c. Parcel Post--Air Parcel Post

(1) Shore Stations. Consignee copies of invoices for shore stations will be placed in envelopes and affixed to containers for parcel post and air parcel post shipments. When the size of the container prohibits forwarding in this manner, the copies will be placed inside the container.

(2) Ships and Mobile Units. Consignee copies of invoices for ships and mobile units will be placed inside the containers for parcel post and air parcel post shipments.

(3) Registered Mail. Consignee copies of invoices covering registered shipments to shore stations, ships, and mobile units will normally be placed inside the container except that consignee copies of invoices covering narcotics will be forwarded separately by priority mail. Consignee copies for other registered shipments will be forwarded separately by priority mail when considered appropriate.

(4) Advance Shipping Notice. When an advance shipping notice is considered appropriate, the consignee copies of invoices may be forwarded via priority mail or shipping notice provided by naval message.

d. Air or Express Shipments. Consignee copies of invoices will be placed in waterproof envelopes and affixed to the containers for air or express shipments. When the size of the container prohibits forwarding in this manner, the copies will be placed inside the container.

e. Pick up by Consignee Representative. Consignee copies of invoices will be placed in a waterproof envelope and affixed to the container or material. When material is held for pick up by the consignee, the proof of delivery copy (copy 7) of the invoice will be signed by the consignee representative and will indicate the date the material was received. One copy of the invoice will be hand delivered to the consignee's representative for delivery to the consignee's receipt control branch to preclude followup action.

2. WHEN CONSIGNEE IS THE ACCOUNTABLE ACTIVITY When the consignee is the accountable activity or when issues are made to ships and fleet aviation units or squadrons, two copies of the invoice will be forwarded to the consignee. Copies of credit expenditure

invoices prepared for creditable material turned in to store by ships and fleet aviation units will be distributed in accordance with par. 23187.

3. WHEN CONSIGNEE IS NOT THE ACCOUNTABLE ACTIVITY. When the consignee is not the accountable activity, one copy of the invoice will be mailed direct to the supply officer of the accountable activity and two copies of the invoice will be forwarded to the consignee. When property is invoiced to a contractor for an office of the Material Inspection Service, USN, or other field office administering the contract, the consignee will be considered to be the inspector of the Material Inspection Service, USN, or other contract administrator, as appropriate. Upon receipt of the property, the consignee will forward one signed copy of the invoice with any Requisition and Invoice/Shipping Document (DD Form 1149) or DOD Single Line Item Requisition System Document (DD Form 1348) to the accountable activity.

4. SHIPPING ACTIVITY COPIES. The bill of lading number will be entered on copy 7 of the invoice and this copy will be filed in the issue control branch requisition file of the shipping activity. The memorandum copy of the bill of lading retained by the shipping activity will be filed in the shipping section (numerical bill of lading file).

5. TRANSSHIPMENT. When material is shipped to a receiving point for transshipment or delivery to an ultimate consignee, invoices will be air mailed to the ultimate consignee. The original bill of lading will be mailed or forwarded with the material as described in subpar. 1 to the transshipping or delivery activity.

6. OUTFITTING MATERIAL CHARGEABLE TO A PROJECT ORDER NOT HELD BY THE ISSUING ACTIVITY. When outfitting material is issued to ships and the outfitting officer is not the supply officer of the activity holding the outfitting project order or allotment, one copy of the invoice will be sent to the fiscal officer of the activity holding the project order or allotment; two copies will be forwarded to the outfitting supply officer with the original bill of lading.

7. ACCOUNTABLE ACTIVITY NOT ASSIGNED. When material is issued to or work is performed for an activity for which an accountable activity has not been assigned, the material issued or the work performed will be reported in the returns of the issuing activity as a direct charge to the appropriation and allotment or project order concerned. Two copies of the invoice will be forwarded to the receiving activity. When a bill of lading is issued for the shipment, the

original will be forwarded to the receiving activity.

8. SPECIAL REQUIREMENTS

a. General. Certain transactions require copies of invoices in addition to those listed in subpars. 1-7. Also, in addition to known special requirements, specific instructions on a particular type of transaction may require exception to the procedures established in this paragraph.

b. Issues to Coast Guard. Additional copies of invoices covering issues to the Coast Guard will be distributed in the same manner as for other activities as required by par. 25348. -

c. Issues to Other Than Naval Activities Requiring Invoicing with Local Reconciliation. Additional copies of invoices covering issues to other than naval activities requiring invoicing with local reconciliation will be distributed as required by par. 25348.

d. Cash Sales. Additional copies of invoices covering cash sales will be forwarded to the disbursing officer as required by par. 25348.

e. Type Commander. When issue of canvas covers for installed ordnance equipment is made to ships, one copy of the invoice will be forwarded to the appropriate type commander.

25136 SHIPMENT OF NATIONAL STOCK-PILE MATERIAL

1. **SHIPPING INSTRUCTIONS**. When the General Services Administration directs shipment of National Stockpile material from a naval activity, the General Services Administration will forward to the naval activity a copy of Shipping Instructions (General Services Administration Form 460) which will be used as a shipment request. The shipping instructions will be reviewed by the issue control branch for authenticity, a requisition folder will be prepared, and a copy of the shipping instruction will be forwarded to the stock control branch for preposting to the Inventory Record Card (General Services Administration Form 46) and the preparation of the Outbound Storage Report (General Services Administration Form 132) in accordance with the Strategic and Critical Materials Storage Manual, Section III. All action taken by the naval activity will be noted on the

shipping instructions and the original will be filed in the requisition file in the issue control branch.

2. **BILLS OF LADING**. General Services Administration Form 460 will include complete instructions for making outbound shipments of National Stockpile material which has been stored at naval activities. A block of U.S. Government Bills of Lading (Standard Forms 1103-1106 or 1131-1134) or individual bills of lading partially prepared also will be furnished by the General Services Administration. If commercial bills of lading are to be used for outbound shipments, the General Services Administration will include a notation to that effect on the General Services Administration Form 460.

3. **OUTBOUND STORAGE REPORT (NAVSUP REPORT 4450-9)**. Invoicing of issues of National Stockpile material will not be required. A General Services Administration Form 132 will be prepared and forwarded in accordance with the Strategic and Critical Materials Storage Manual, Section III. Two copies of the outbound storage report will be forwarded to the Naval Supply Systems Command (Warehouse Systems Division) (see the NAVSUP Management Handbook, par. 22204-3c(2)).

25137 SHIPPING DOCUMENTS

For instructions on the preparation and distribution of U.S. Government Bills of Lading (Standard Forms 1103 and 1109), Transportation Control and Movement Document (DD Form 1384), and related shipping documents including ocean manifests and other ocean shipping documents, see Volume V.

25138 SHIPMENT OF NOT READY FOR ISSUE (NRFI) REPAIRABLE MATERIAL

1. **SHIPPING INSTRUCTIONS**. Not ready, for issue repairable will be shipped to the activity specified in the Master Repairable Item List (MRIL) (NAVSUP P-4107). The MRIL lists all Navy repairable items and includes the activity (Navy other service, or contractor) to which the repairable will be sent and the movement priority designator (MPD). Shore activities shipping NRFI repairable will prepare a DOD Single Line Item Release/Receipt Document (DD Form 1348-1) for each line item shipped in accordance with instructions provided in NAVSUP Publication 437, Chapter 2. Additional detailed

instructions are published in the Material Turned Into Store (MTIS) Manual, NAVSUP Instruction 4440.157 series.

2. ASSIGNMENT OF CONDITION CODES.

Not ready for issue repairable will be identified by an appropriate condition code on the DD Form 1348-1. Generally, condition codes D, E, or F will be assigned. Normally, NRFI repairable assigned condition code J or K (suspended pending condition classification) will not be shipped until the appropriate condition code (D, E, or F) is determined. Condition codes are defined in par. 24925. Condition codes D, E, F, or G should be utilized as follows:

1. Condition Code D. Condition code D identifies serviceable material which requires tests, alteration, modification, conversion or disassembly before it is ready for issue (RFI). This code is not to be assigned to unserviceable repairable. Unserviceable material requiring test, alteration, modification, conversion, or disassembly will be assigned condition codes E or F.
2. Condition Code E. Condition code E identifies material which involves only limited expense or effort to restore to serviceable condition. Condition code E will be assigned to unserviceable repairable when it is known that only limited expense is required to complete repairs. For purposes of assigning this code, limited expense will be defined as less than 50070 of the standard

price, or replacement price, if known. If the extent of repair is unknown, condition code F will be assigned. Condition code E will also be assigned to Type II expired shelf-life items pending shelf-life extension.

3. Condition Code F. Condition code F identifies economically repairable material which requires repair or overhaul. Condition code F will be the primary code assigned to unserviceable repairable. This code will be assigned to NRFI repairable which require major repair or overhaul (i.e., the estimated repair costs are equal to or greater than 50070 of the standard price, or replacement price, if known) and to items for which the extent of repair required is known.
4. Condition Code G. Condition code G identifies material requiring additional parts or components to complete the end item prior to issue. Condition code G will be assigned to incomplete items only when the required parts have been or are being requisitioned. If an incomplete repairable is to be shipped with parts missing, condition codes E or F will be assigned.

25139 OCEAN BOOKINGS AND ROUTING OF NAVY SPONSORED CARGOES

Procedures to be followed in obtaining ocean shipping instructions are provided in par. 52100-2.

Section VI: SURVEYS AND DISCREPANCIES IN INCOMING SHIPMENTS

Subsection I: SURVEYS

25155 DEFINITION AND PURPOSE

1. **DEFINITION.** A survey is the procedure required when Navy property and Defense Logistics Agency material in Navy custody is lost, damaged or destroyed, except in incoming shipments (refer to subsection 2).

2. PURPOSE

a. **Determine Responsibility.** To determine responsibility for lost, damaged or destroyed property and to fix the actual loss to the Government. To

make a true determination, the facts surrounding the loss or damage must be thoroughly surveyed in a timely manner.

b. **Scope.** It should not be limited to verifying statements of interested parties, but should be broad enough to ensure that the interests of the Government as well as the rights of the individual(s) or Navy activities concerned are fully protected. Review is required to prove or refute statements of interested persons and is necessary to place responsibility where it belongs.

▼ c. Forms. The following forms will be used in connection with survey procedures:

- (1) DD Form 2090 (GPLD Survey Certificate) and/or
- (2) DD Form 200 (Report of Survey).

3. GENERAL. The DD Form 2090 will be used if no personal responsibility is evident. The DD Form 200 will be used if personal responsibility is evident, if the reviewing authority does not approve the DD Form 2090, or if the commanding officer or higher authority so directs. The DD Form 2090 will normally be prepared by the person who conducted causative research. The DD Form 200 will be initiated by the accountable responsible person. When circumstances warrant, such as when there is an indication of criminal action or gross negligence, the commanding officer or designee will appoint a Survey Officer or a Survey Board. (Refer to par. 25157 for Survey procedures.) A copy of the DD Form 2090 and instructions for preparation, distribution and approval levels are contained in par. 25159. A copy of the DD Form 200 and instructions for preparation, distribution and approval levels are contained in par. 25158. Individuals who are accountable or responsible will not be appointed as surveying officers.

4. EXCEPTIONS

a. General. Research action is not required when it is the opinion of the commanding officer or his designated representative that negligence is not indicated in the loss, damage, or destruction of Government property, or that for reasons known to the commanding officer, negligence or responsibility cannot be determined and that research under those conditions would constitute an unnecessary administrative burden. Research action is not usually required when an individual accepts responsibility for loss, damage, or destruction of Government property and voluntarily offers to reimburse the Government for such loss, damage, or destruction. At the discretion of the commanding officer or his designated representative, investigative reports required by other appropriate Navy regulations may be used in lieu of the research prescribed by this manual when:

1. There is no death or injury.
2. The total property damage does not exceed \$200.

3. There is no possible claim against the government.

b. Expenditure of Material Without Survey. Material will be expended without survey on a Requisition and Invoice/Shipping Document (DD Form 1149) or DOD Single Line Item Release/Receipt Document (DD Form 1348-1) which will be annotated "Loss by survey" and will indicate the circumstances of the loss or damages or the disposition authority, as applicable, under the following conditions:

1. items determined to be scrap by an inventory manager;
2. losses of liquid oxygen because of evaporation (boil-off);
3. material cannibalized or otherwise unaccounted for in the overhaul and repair department;
4. residue of material cannibalized in the overhaul and repair department considered to have scrap value only;
5. samples of petroleum products sent to a laboratory for examination and test and not returned to store;
6. medical material determined to be defective by the Field Branch, Bureau of Medicine and Surgery, and destruction of the material has been directed; also potency dated material on which potency has expired and additional approval or further action by the Bureau of Medicine and Surgery is not required;
7. discrepancies in material quantities transferred to disposal, provided that the value of loss or shortage is less than \$50 per line item and does not involve sensitive items;
8. material is lost in transit due to enemy action (see par. 23200).

c. Nonappropriated Funds. Survey action will not be required when loss or damage in shipment involves merchandise procured with nonappropriated funds.

25156 PROPERTY ACCOUNTABILITY

1. GENERAL. This section provides guidelines on the policies, principles, standards, and procedures that will govern property accountability for

Government property lost, damaged, or destroyed. These procedures are separated into Government property defined as “supply system stocks” and “property book” material.

2. **SUPPLY SYSTEM STOCKS.** Supply system stocks refer to those inventories where a stock record account is required to be maintained, showing by item the receipt, issue and disposal of property, the balance on hand, and such other identifying or stock control data as may be required. This includes in-stores wholesale and retail inventories financed by stock funds, as well as inventories financed by other appropriations for the purpose of issuing to end-use customers. Despite the safeguards established in the care and maintenance of their supply system stocks, discrepancies may occur between stock balances and material in storage. These discrepancies are subject to research as prescribed in DODINST 4140.35 and NAV-SUPINST 4440.115 series.

a. **Research.** An investigation of potential or actual discrepancies between physical count and recorded balance or to determine the cause of discrepancies. There are three types of research:

(1) **Post-Count Validation.** A comparison of physical count with potential record balances or another count, with consideration of transactions that have occurred recently. The purpose of post-count validation is to determine the validity of the count. Post-count validation research ends when the accuracy of the count has been verified or when any necessary recounts have been taken or the discrepancy is \$200 or less.

(2) **Pre-Adjustment Research.** An investigation of potential discrepancy which involves the consideration of recent transactions, unposted or rejected documentation, search of temporary location areas and verification of catalog data. The purpose of preadjustment research is to determine the correct balance. Preadjustment research ends when the balance has been verified or the adjustment quantity determined.

(3) **Causative Research.** An investigation of discrepancies consisting of a complete review of all transactions occurring since the last inventory or one year, whichever occurs first, to include supporting documentation, catalog change actions,

shipment discrepancies and unposted or rejected documentation. The purpose of causative research is to assign a cause to the discrepancy so that corrective action may be taken. Causative research ends when the cause of the discrepancy has been discovered or when, after review of transactions back to the last inventory or one year, whichever comes first, no conclusive findings are possible.

b. **Resolved Discrepancies.** If through research, the error cause is determined, a proper accounting adjustment (see par. 24420-2b) will be made to the stock records and financial records to bring those records into *bd'ante*. These types of corrected discrepancies are referred to as “resolved discrepancies.”

c. **Unresolved Discrepancies.** For the remainder of the inventory discrepancies, an inventory adjustment document, a Government Property Lost, Damaged, or Destroyed (GPLD) Survey Certificate (DD Form 2090), or a Report of Survey (DD Form 200) will be used to substantiate adjusting the accountable record to the stock on hand and to provide relief from property accountability and/or responsibility.

(1) **Inventory Adjustment.** For unresolved discrepancies, which do not meet the criteria set forth in subpar. d for performing causative research, substantiation for adjusting the stock record, and relief from property accountability will be provided by means of an inventory adjustment document. Causative research will be conducted for all unresolved discrepancies that meet the criteria specified in subpar. d.

(2) **GPLD Survey Certificate (DD Form 2090).** If causative research fails to develop evidence of personal responsibility or indications of attributable or nonattributable criminal irregularities, a GPLD Survey Certificate will be used to substantiate adjusting the stock record and provide relief from property accountability.

(3) **Report of Survey (DD Form 200).** If causative research develops evidence of personal responsibility, or criminal wrongdoing, a Report of Survey will be used to substantiate adjusting the stock record and provide relief from property accountability.

See Illustration 1



▼ d. Criteria for Causative Research. The criteria for performing causative research on unresolved discrepancies are:

1. sensitive items, e.g., drugs, precious metals regardless of dollar value
2. classified items regardless of dollar value;
3. pilferable items valued at \$500 or more;
4. suspicion of fraud, theft or negligence, regardless of dollar value;
5. arms and ammunition-mandatory for all personal arms whether or not pecuniary liability is admitted (refer to SEC-NAVINST 5500.4 series);
6. repetitive losses and the dollar value of the adjustment equals or exceeds projected costs of investigation;
7. bulk petroleum when loss exceeds stated allowances;
8. All cumulative items of \$50,000 or more;
9. Other supply system stock adjustments will be selected using the criteria established in NAVSUPINST 4440.115 series, Enclosure (3), par. 5(b) 2-3;
10. when requested by the accountable officer or commanding officer.

e. Procedures for Causative Research. For unresolved differences which meet the criteria set forth above, causative research is utilized to relieve accountable/responsible officers from responsibility, to substantiate adjustment of stock records to inventory on hand, and to identify problem areas and/or trends for corrective purposes. Causative research should be conducted by a person not supervised by the accountable/responsible officer, as designated by the commanding officer. Causative research will also include the following actions:

(1) Review for Adequacy of Procedures to Protect Property.

(a) Physical Security Review. Storage facilities should be adequate to ensure proper safeguarding of all items, but especially sensitive items, pilferable items, and noncontrolled items, commensurate with regulatory requirements, the degree of susceptibility to theft or pilferage, and experienced" losses.

(b) Receipt, Storage and Shipment Procedures Review. A determination should be made if adequate procedures exist to prevent loss from theft or pilferage during receipt, storage and shipment. The extent of protection should be commensurate with statutory and regulatory requirements, the degree of susceptibility to theft or pilferage, and experienced losses from theft or pilferage of applicable items.

(2) Determine Procedural Compliance. A determination needs to be made whether or not responsible persons complied with existing applicable procedures to protect Government property. If noncompliance with appropriate procedures is discovered, a determination should be made whether the person deviating from the procedures is responsible or the deviation was due to supervisory direction. Personal responsibility is present only where gross negligence is evident.

(3) Nature of Personal Responsibility.

(a) Command Responsibility. The commanding officer of a major activity or installation has command responsibility for the security of all Government property within his command, whether in use or in storage. Such command responsibility extends to a thorough observation of the activities of his subordinates and the enforcement of all security, safety, and accounting requirements by appropriate administration or disciplinary measures where necessary.

(b) Supervisory Responsibility. A supervisor will be responsible for the loss, damage, or destruction of material by employees under his supervision when his action or lack of action can be directly connected to the loss, damage, or destruction of Government property.

(c) Personal Responsibility. With respect to supply system stocks, personal responsibility may accrue as a result of deliberate noncompliance with appropriate procedures that protect Government property. Personal responsibility also is present when Government property is converted to personal use without permission or authority.

(4) Negligence. It is necessary that a person or persons be grossly negligent in order to be found personally responsible when supply system

inventory is involved. Gross negligence is an extreme departure from the course of action to be expected of a reasonably, prudent person, accompanied by a reckless, deliberate or wanton disregard for the foreseeable consequences of that act (or omission). Pecuniary actions may be taken through the Uniform Code of Military Justice or Federal statutes. Pecuniary liability may be recommended only when gross negligence or personal responsibility is established (see par. 25164).

(5) Cause or Probable Cause. The information gained from causative research or similar operation and the information gained from the preliminary investigation will be used to determine a cause or probable cause for the discrepancy.

(6) Recommended Corrective Action. Recommendations with respect to corrective action(s) will be concerned with the above determination. Consequently, if procedures or physical security is found deficient, recommendations will be made for correction.

3. **PROPERTY BOOK MATERIAL.** Property Book material is defined as all Government property, other than supply system stocks.

a. Categories of Property Book Material. Property Book material generally falls into the following categories:

(1) Military Real Property. Covers lands, buildings, structures, utility systems, improvements and appurtenances thereto. Includes equipment attached to and made part of the buildings and structures, (such as heating systems) but not movable equipment (such as plant equipment). Also includes installed equipment such as fixed overhead crane runways, elevators, lavatories, plumbing and electrical systems. Machine tools and production equipment at such installations are not included.

(2) Military Personal Property. Property of any kind, except Military Real Property, system stock, and tools used or capable of use in the manufacture of supplies, or in the performance of services or for any administrative or general plant purposes.

(3) Inventories Held in Industrial Funds. Property of the Department of Defense consisting of raw materials, supplies, work in process, held in all industrial funds.

(4) Weapons and Other Military Equipment in Use. Items of material assigned to using units and includes all major weapons and supporting equipment (e.g., aircraft, missiles, tanks, combat vessels, communications and electronics systems, heavy support equipment, ships, service craft, boats, floating derricks, harbor tugs, and ammunition).

(5) Plant, Equipment. Property of a capital nature (consisting of machinery, equipment, furniture, vehicles, machine tools, accessory and auxiliary items, but excluding special tooling) used or capable of use in the manufacture of supplies, or in the performance of services, or for any administrative or general plant purposes.

(6) Excess, Surplus, and Foreign Excess Personal Property. Property on which disposal action has been initiated by the DOD Component. It may have emanated either from supply systems inventories or from equipment in use; in either case, accountability is dropped at the time of transfer by the owning components to disposal channels.

b. Property Book Survey Procedures. Immediately upon discovery of loss, damage, or destruction of Government property, the department head or division officer will determine if there is evidence of negligence, willful misconduct, or deliberate unauthorized use. When the preliminary research fails to show positive evidence of negligence, willful misconduct or unauthorized use, the accountable or responsible officer initiates a GPLD Survey Certificate for relief of the individual concerned and adjustment of records. If the results of the research show positive evidence of negligence, willful misconduct, or unauthorized use, the accountable or responsible officer will initiate a Report of Survey (DD Form 200). If the amount does not exceed \$500 and the responsible individual voluntarily consents to reimburse the government, a GPLD may be used for adjustment of records (see par. 25164). This procedure is also applicable to supply system stock.

25157 SURVEY PROCEDURES

1. APPOINTING AUTHORITY

a. General. The appointing authority will usually be the commanding officer, designee or officer in the chain of command with jurisdiction ↑

▼ over the individual having custodial responsibility for the property involved.

NOTE: Exception to the above is any person who is responsible or accountable for the property listed on a Report of Surveyor GPLD Survey Certificate, or who is under the command control of the responsible person, is not authorized to act as appointing authority in that instance.

b. Responsibilities. The appointing authority is responsible for:

1. requiring a Report of Survey when circumstances warrant;
2. reviewing all Reports of Survey (DD Form 200);
3. reviewing all GPLD Survey Certificates (DD Form 2090);
4. appointing surveying officers;
5. approving surveying officers' recommendations or making recommendations of his own;
6. assisting the surveying officer in his survey;
7. taking appropriate action on Reports of Survey and GPLD Survey Certificates; and
8. maintaining a list of surveying officers appointed and the Report of Survey to which appointed, and in addition, keeping a list of active Reports of Survey.

2. SURVEY OFFICER

a. General. The Survey Officer will be appointed by the appointing authority. The designation by the appointing authority is accomplished by completing block 17 on the DD Form 200. Individuals who are accountable or responsible may not be appointed as surveying officers.

b. Responsibilities and Duties.

(1) General. The research conducted by the surveying officer is an extremely critical phase of the survey system. The evidence and data presented by the surveying officer and recorded in his findings, together with the recommendations, are evaluated in succeeding reviews. Higher echelons, in formulating recommendations and decisions, are almost entirely dependent on information contained in the Report of Survey.

(a) The surveying officer must be free of bias or prejudice and should not start the research with predetermined ideas as to the cause of the loss, damage, or responsibility. A thorough and impartial review develops the actual facts and circumstances, not necessarily as reported but as they actually exist.

(b) The surveying officer, should then be able to make an accurate and concise statement in his findings as to whether or not the loss, damage, or destruction was due to gross negligence, willful misconduct, or deliberate unauthorized use. After the findings have been recorded, a logical and reasonable recommendation will be made to place responsibility.

(c) The surveying officer conducts his review as quickly as possible and, if delays are encountered and 45 days have elapsed, informs the appointing authority in writing the reasons for the delays. If, in the course of his review, the surveying officer learns that the matter has been or is being investigated by other formal investigative activities, he should, in order to avoid duplication of effort, obtain a copy or extract of the report and attach it to the survey as an exhibit. In conducting his review, the surveying officer will:

1. In cases where the loss or damage has been previously reviewed by a board of officers, (such as in an appeal or other type of formal investigation) obtain a copy of the report of investigation or an extract of it and file it as evidence with the Report of Survey.
2. Hear, in person or by deposition, any person concerned if the surveying officer believes that the testimony will be of any value in establishing the cause of the loss or damage and the responsibility for it.
3. Compile evidence which substantiates or refutes the statements in block 14 (pertaining to date and circumstances) of the report of survey and attachments; and secure necessary exhibits to support the element of loss or damage, such as appraisals, reports, etc. The relevant data should be gathered and recorded. The surveying officer should make full use of all property records, maintenance, historical, and other inspection reports and procurement records.

4. Where possible, include photographs pertaining to the loss or damage. They are helpful in showing how an accident or loss occurred, physical characteristics of an accident scene, road and traffic conditions, storage and security facilities used where a loss took place, nature and extent of damage, etc. Photographs used as exhibits should show the date taken, and name, grade, and title of the photographer. A brief description must be furnished, identifying each picture as to content, pertinent details, measurements and directions. Surveying officers should use the services of the activity photographer when appropriate.
5. When possible, view the listed property before it is repaired, destroyed, or otherwise disposed of. If the operational requirements to not permit such an appraisal, repairs need not be delayed pending the surveying officer's review.
6. Consult with or request advice of the appointing authority, legal office, procurement personnel, security police, or any other individual or office as appropriate.

(2) Coordination with Judge Advocate/Counsel. When during the administration of a survey of loss, damage, or destruction of property, it appears that criminal prosecution under UCMJ or Federal law might be in order, no statements should be taken from any person, whether subject or witness, no other action taken before coordination with the Navy Judge Advocate/Counsel.

(3) Coordinate with Claims Officer. When reports of survey cover loss, damage or destruction of Government property that is being, has been, or will be investigated by a claims officer, the surveying officer coordinates his action with the claims investigation. This should be done whenever practicable but without unduly delaying completion of the report. The surveying officer states in block 23 that any monies collected as a result of claims action are not duplicated by the report of survey action.

c. Findings. The surveying officer records the result of his findings and the factors upon which he based his recommendations in block 23 on the reverse of the DD Form 200. If there is not enough room in block 23 to complete his statement and

recommendation, he uses a plain sheet of bond paper for the remainder and cross references it to block 23. The conclusions reached must be sound and based upon the evidence presented.

(1) In no case should the findings and recommendation contain unsubstantiated opinions or stereotyped phrases such as "Lost or damaged in the manner stated." He states in his words how the loss or damage occurred, based on the evidence obtained through his survey.

(2) Findings should sustain or refute the statements made in block 14 and/or affidavits or certificates which are part of the report. Where facts are obtained by oral testimony, the individual(s) must be named and identified and direct statements quoted. The findings should be complete enough so others reviewing the report can readily determine the responsibility without referring the report back to the surveying officer for further investigation or information.

(3) The market or depreciated value of the property is not required in the findings unless pecuniary liability is recommended.

(4) If a pecuniary charge has been raised against an individual in connection with the property being surveyed, such information is included for administrative purposes only. If the damaged property has been disposed of, the disposition is recorded in the findings.

(5) When the finding concludes that the item being surveyed was missing, lost or stolen, insure that a Missing, Lost, Stolen, or Recovered (M-L-S-R) Report was submitted, if appropriate, in accordance with SECNAVINST 5500.4 series.

d. Examination of Findings. When a pecuniary charge is recommended, the individual or activity must be given an opportunity to examine the findings and recommendations of the surveying officer and complete block 24 of the DD Form 200.

e. Processing. The report is processed as follows for military and civilian personnel not at the activity:

(1) On TDY for an Extended Period or Transferred. Mail a copy of the entire report to the ↑

↓ commanding officer of the activity where the individual is located. Request the individual be advised of his right and that the form be returned within 30 days with the block 23 properly completed.

(2) Separated-Retired or Relieved from Duty. Send a copy of the entire report to the individual by registered mail, return receipt requested. The cover letter should request that the individual review the report of survey, complete block 24, and return the entire report within 30 days. A self-addressed indicia envelope should accompany the report. The returned receipt is used as an exhibit to the report of survey if a reply is not received within 30 days. When a reply is received after the report has been forwarded for action, the reply is forwarded through the same channels.

(3) Death or Mental Incompetency. When a pecuniary charge is recommended and the individual dies or is declared mentally incompetent before the findings are examined, the surveying officer so notes on the report and makes no attempt to contact relatives of the individual.

f. Submission of Additional Evidence. The surveying officer carefully considers any statement, affidavit, or additional evidence submitted by the individual. If the charge is sustained, he annotates all copies of the report that the additional evidence has been considered. When the evidence warrants it, an "Amended Recommendation" is recorded immediately following the original recommendation.

g. Recommendation. After recording his findings, the surveying officer should continue with his recommendations in block 23. His recommendations should be titled and should begin at the left margin of the block. A recommendation of pecuniary liability or relief from liability and/or responsibility is made for each individual involved. Recommendation is made for the disposition of any unserviceable property not previously disposed of. Under no circumstances show a recommendation for disciplinary action. The recommendation must constitute the surveying officer's personal evaluation of the circumstances presented in the findings. If a pecuniary charge is recommended, the full name, SSN, and grade of the individual charged must be shown. If an activity is being held liable,

a complete description and address of the activity is shown. The surveying officer signs his recommendation and gives his grade.

h. Approval After the surveying officer completes his action, all copies of the report and attachments are returned to the appointing authority/reviewing authority (normally the commanding officer). The surveying officer is not relieved from his duties until final action is taken. If not approved, the commanding officer may appoint a Survey Board. If approved, the distribution will be the same as for the Survey Board.

3. SURVEY BOARD

a. General. A Survey Board may be appointed by the commanding officer for the specific purpose of conducting investigations on reports of survey. The survey board provides greater surveillance over the loss or damage investigations and facilitates processing actions. One member of the board (usually the senior member) will be designated to serve as appointing authority. In no event will the commanding officer or designee delegate authority to review surveys to the following individuals:

1. the person on whose records the material being surveyed is carried;
2. the person charged with custody of the material being surveyed;
3. the surveying officer or member of the survey board.

b. Composition. A survey board may consist of two or more persons. Commissioned or warrant officers are normally appointed to survey boards. It is recognized that, because of the nature of activities or types of personnel by which manned, there may not be enough officers available to appoint to the board. If such conditions exist, qualified enlisted personnel in grades E8 or E9 or qualified civilian personnel GS-11 or above maybe appointed to the board. Commanding officers should be extremely careful to select competent personnel to conduct investigations.

c. Purpose. The primary purpose of the survey board is to consolidate the functions of the appointing authority and surveying officer. Its objectives is to relieve commanding officers from the

administrative burdens involved in the report of survey procedures. Survey boards, when directed, assist the commanding officer by furnishing advice and conducting investigations on surveys for any type of property adjustment for losses submitted to him for action.

d. Functions. The following are specific functions of a survey board; however, a board is not limited to these functions.

(1) Take the action of surveying officer on reports of survey when the preliminary investigation indicates this is necessary. The member of the board who has been authorized to serve as appointing authority can limit the scope of his investigation as surveying officer. This limitation may include only such investigation as would be acceptable to him as appointing authority.

(2) Act as a group of disinterested persons to inspect and witness the destruction or abandonment of unseviceable property.

e. Final Action by the Appointing Authority. The board member serving as appointing authority completes his action on the DD Form 200 and recommends the relief from an assessment of liability.

4. **ACTIVITY COMMANDING OFFICER.** For the purpose of Reports of Survey, the commanding officer is the individual with authority over and responsibility for the direction, coordination and control of persons subordinate to him, and with responsibility for his own logistical and administrative support for:

1. the accuracy, review and completeness of all reports of survey originating at his activity or with activities under his command;
2. ensuring that all personnel under his command are thoroughly instructed in property responsibilities and are constantly alert to guard against loss, damage or destruction of public property;
3. the compliance of personnel under his command with the instructions for accounting for GPLD under the report of survey systems;
4. ensuring that all persons held pecuniary liable are informed of their appeal rights

- and are given an opportunity to review the file (see par. 25164);
5. ensuring that a suspense file is established for the actual cost of repair when the pecuniary liability is based on an estimate (When the actual repair costs are known, the charge is adjusted and all persons involved notified in writing.);
6. when he is also the appointing authority, omit action as appointing authority and take action only as the commanding officer. -
7. Designate the organizational element responsible for:
 - (a) performing administrative reviews of reports of survey;
 - (b) furnishing guidance during investigations by boards or surveying officers;
 - (c) preparing correspondence involved in routing surveys for investigation, staff coordination, review, collection, approval, etc.;
 - (d) preparing internal operating procedures, checklists, etc. to assist surveying officers and appointing authorities;
 - (e) accomplishing coordination and necessary liaison with appointing authorities including tenants;
 - (f) processing appeals;
 - (g) maintaining a constant follow-up on surveys to ensure quick processing;
 - (h) determining the service status of person(s) being held liable and insure that the office of final action is notified by telephone when separation is imminent.
8. Reviews all reports of survey originating at his activity except those in which he is personally involved. This review is to determine that all instructions for processing reports of survey have been complied with. He forwards all copies of reports which involve him personally to the next higher authority for action. In addition he:
 - (a) ensures that sufficient explanation has been given to show what the loss or damage was and how it occurred;
 - (b) when necessary, may ask the resident auditor/internal reviewer to determine the current status of the property account involved; ↑

- ▼ (c) returns any report of survey he considers insufficiently prepared for further development, investigation, or additional evidence (These reports are returned to the appointing authority or, if he is also the appointing authority, direct to the surveying officer, survey board, or property officer, as applicable. When the report is returned to the commanding officer, he will ensure that any changes, erasures, or interlineations are properly authenticated or initialed by the originator.);
- (d) forwards all reports of survey which recommend assessment of pecuniary liability to the Judge Advocate/Counsel for review prior to taking final action.

5. FINAL ACTION. The commanding officer is designated to take final action on DD Form 200 except when:

1. The property value or cost of repair exceeds \$10,000. (The commanding officer and the surveying officer ensure that losses or damages are not divided into smaller amounts to bring them within the \$10,000 limitation.)
2. The DD Form 200 lists the property for which the commanding officer is personally responsible.

These are sent to the next level in the chain of command for action. The commanding officer may sustain the recommendations of the surveying officer or survey board and/or make recommendations of his own to relieve all concerned or to hold a person or persons pecuniarily liable. He prepares a statement giving the reason for his action if different from the surveying officer's/board's recommendation. His final action must be shown in block 18, DD Form 200. Where he is not authorized to take final action, or for any other reason desires to forward the report for action by higher authority, the commanding officer makes suitable recommendations in block 27, DD Form 200. He may approve the recommendations of the surveying officer/board or appointing authority or make his own. If he wishes to approve the last recommendation, he may do so by inserting "Approved" in block 29 and signing under it. His action must be shown on all copies of the DD Form 200.

6. ACTION BY HIGHER AUTHORITY. When the commanding officer receives reports of survey on which final action is reserved for higher authority or which list property which he has a direct or indirect interest, he will forward all copies to the appropriate reviewing authority for his action.

25158 PREPARATION AND DISTRIBUTION OF REPORT OF SURVEY (DD FORM 200)

1. PREPARATION OF REPORT OF SURVEY (DD FORM 200) (Keyed to Blocks in Form). The DD Form 200 will be prepared in original and a number of copies specified by the appointing authority. See Illustration 2.

BLOCK INSTRUCTION FOR ENTRY

- | | |
|---|---|
| 1 | Date. Enter the date the Report of Survey is prepared. |
| 2 | Register Number. Number survey in accordance with Navy directives. |
| 3 | Class of Property. Enter "Systems Stocks", "Property Book", "Plant Property Class 3", or arms and equipment, whichever is appropriate. Additional classifications may be established as necessary. |
| 4 | Stock Record Account or Property Record and Station. Insert the stock record account or property book number and name of activity. |
| 5 | Accountable or Responsible Officer. Enter the name, grade, SSN, and organization of the individual responsible or accountable for the property. |
| 6 | National Stock Number. Enter the stock number(s) of the item(s) in numerical sequence. If the item(s) is nonstandard, enter nonstandard or "NSI". |
| 7 | Description. Enter the correct nomenclature of the article(s) lost, damaged, or destroyed including any serial number(s). If the article(s) is nonstandard, give an accurate description sufficient for identification. If only a portion |

BLOCK INSTRUCTION FOR ENTRY

- of an end item is damaged, describe the end item fully, then describe the damages. If additional space is needed, use blank bond paper suitably captioned as a continuation sheet.
- 8 Quantity. Enter the number of units and unit of issue, for example: 1 ea., 2 dz., 5 pr.)
- 9 Unit Cost. Enter the cost per unit shown in official catalogs or supply bulletins.
- 10 Total Cost. Enter the total cost of all units of each article listed. Enter the actual cost of repair for articles damaged and repairable. Show computation on a separate sheet and attach to DD Form 200 as an exhibit. After the last entry in the "Total Cost" column, draw a line; the sum of the entries in this column will be indicated as the "Grand Total". (Computation of the amount to be chargeable for the loss, damage, or destruction: lost or destroyed is the market value of the property immediately before the loss or destruction, or damage is the difference in the market value immediately after the damage.)
- 11 Disposition. Enter for each line item, D for destroy, S for salvage, (When property is damaged to the point where it must be scrapped, salvage credit is allowed for the salvage or scrap value, including scrap value of parts recovered from the property which has been repaired.) R for repair or O for other.
- 12 Loss Charge. Enter the recommended pecuniary charge for lost items as applicable. The loss value will represent the standard price of the item lost or uneconomically repairable and, adjusted as appropriate, for estimated depreciation or remaining useful life.
- 13 Damage Charge. This represents the cost of repair, where the item can be economically repaired.

BLOCK INSTRUCTION FOR ENTRY

- 14 Statement. Enter a brief but complete statement of the facts, including the date and place of the incident. Include the name, grade and SSN of all persons directly concerned. The statements must answer the five basic questions of who, what, when, where, and how. If additional evidence is needed, add as exhibits and identify alphabetically within this block.
- 15 Affidavit. The affidavit will be signed by the individual having custody of the property, the responsible officer, or a hand receipt holder or user of the item when lost. The affidavit must be subscribed and sworn to or affirmed and authenticated by a legal officer, administrative officer or other officer authorized by the Code of Military Justice, Article 136, or by a notary public or civil court officer.
- 16 Certificate. if an individual other than the responsible officer has executed the affidavit, the certificate will be signed by the responsible officer; otherwise, l e a v e b l a n k .
- 17 Surveying Officer. This item will be completed by the appointing authority to indicate the officer he has appointed as surveying officer. It will be signed by the appointing authority or the executive officer.
- 18 This Space Reserved for Action by Authority of: This action is taken by authority granted the commanding officer of the Navy activity to which the individual belongs.
- 1 9 Property Voucher Number. Enter document control number, property adjustment voucher number, or work order number.
- 20 Headquarters. Enter the headquarters of the support organizational activity experiencing the property loss or damage as applicable. ↑

↓ BLOCK	INSTRUCTION FOR ENTRY
21	Station. Enter the name of the installation where the loss or damage occurred.
22	Date. Enter the date the surveying officer signed his statement.
23	Findings. The surveying officer records the result of his survey.
24.	Examination of Findings. (Refer to subpar. 251 57-2c on findings.) When a pecuniary charge is recommended, the individual will be given an opportunity to examine the findings of the survey and complete this item.
25	Disposition Statement. This statement will be signed by the officer who witnesses the destruction of the material, or signature of the salvage officer or property disposal officer if material is turned in as salvage.
26	Approved. To be signed by the appointing authority when approving the recommendations of the surveying officer.
27	Reserved for Action of Commanding Officer. The commanding officer will approve the recommendations of the surveying officer or the appointing authority, or he may modify the recommendations or submit his own.
28	Reviewed by the Finance Officer. The Navy does not use this block.
29	For Action of Reviewing Authority Only. The person charged with the review will sign in this item and add comments as appropriate.
30	Space for additional data if required.
31	Space for additional data if required.

2. DISTRIBUTION OF DD FORM 200 AFTER FINAL ACTION

a. Original with all attachments will be retained at the activity.

b. Duplicate is returned to the appropriate property officer to replace quadruplicate copy which may then be destroyed (if not required by the Systems Command—refer to subpar. 25162).

c. Triplicate copy is destroyed if pecuniary liability is not assessed. If pecuniary liability is assessed, send a copy to the disbursing officer who will:

- (1) prepare a NAVCOMPT Form 3060 “Military Pay Order” for charging naval personnel (refer to par. 25164 concerning voluntary reimbursement);
- (2) support the collection from civilian personnel in accordance with the Office of Personnel Management (formerly Civil Service Commission) procedures;
- (3) establish accounts receivable (and prepare billing for agencies or non-Government individuals);
- (4) prepare DD Form 139 for other service military personnel;
- (5) file the document in the financial folder of officers pending collection.
- (6) The remaining copies will be retained by the person who initiated the survey for local use.
- (7) If material is to be repaired, send a copy to the activity performing repair.

25159 PREPARATION, DISTRIBUTION, AND APPROVAL OF THE GPLD SURVEY CERTIFICATE (DD FORM 2090)

1. PREPARATION OF THE GPLD SURVEY CERTIFICATE. When personal responsibility is not evident the GPLD will be prepared by the person who conducted the causative research. The GPLD will be prepared in original and three copies.

a. Detailed Instructions—Keyed to Blocks in DD Form 2090. See Illustration 3.

BLOCK INSTRUCTION OF ENTRY

- 1 Name and address of reviewing authority.
- 2 Name and address of the activity to which the supply responsibility is assigned for the lost or damaged items.

BLOCK INSTRUCTION FOR ENTRY

- 3 . Name and grade of person who performs or directs causative research.
- 4 Enter the voucher number of the inventory adjustment appropriate to the series of transaction in which the voucher will be entered.
- 5 Modification of Certificate. Show whether the property was lost or damaged by checking the applicable block in the certifying statement. Also, check before the word negligence the "simple" block if property is other than personal issue property.
- 6 National Stock Number (NSN) or manufacturers part numbers, as appropriate. If neither is applicable, insert local stock number or "NA" as applicable.
- 7 Enter the correct nomenclature of the articles lost or damaged.
- 8 Enter the quantity lost or damaged.
- 9 Enter the unit of issue.
- 10 Enter the unit cost,
- 11 Multiply the quantity in block 8 by the unit cost in block 10 and enter the amount in this block.
- 12 Add the costs in block 11 and enter the Total in this block.
- 13 Enter a statement of the circumstances of loss or damage and refer to such exhibits as may support the statement. Copies of exhibits referred to in this block will be attached to the GPLD survey certificate and designated by capital letters.
- 14 Typed name and grade of accountable/responsible officer.
- a. signature of accountable/responsible officer and
- b. date of signature.

NOTE: After completion of the form through block 14b, the original and first copy are forwarded to the appointing authority. The second and third copies are held until the original is signed.

BLOCK INSTRUCTION FOR ENTRY

- 15 After review, the reviewing authority will indicate in the appropriate block: his agreement/nonagreement that the loss or damage to the property was not due to (simple/gross) negligence, willful misconduct, or deliberate unauthorized use; and the action authorized.
- 16 Typed name and grade of reviewing officer.
- a. signature of reviewing officer and
- b. date of signature.

2. DISTRIBUTION OF COMPLETED GPLD SURVEY CERTIFICATE. The reviewing authority will return the original to the activity listed in block 3 for file as a permanent supply voucher. The first copy will be retained by the reviewing authority. The second copy is used to adjust the property records and the third copy is forwarded to the accountable officer for posting to accountable records.

3. APPROVAL OF THE GPLD SURVEY CERTIFICATE. Completed and approved GPLD Survey Certificates are valid supply documents and support entries made to accountable records for adjusting discrepancies which were disclosed during physical count. GPLD Survey Certificates will be acted on by or for the commanding officer of the inventory control point or stock point as appropriate. The commanding officer or his designee may approve or disapprove the GPLD Survey Certificates, subject to the following:

a. Jurisdiction. GPLD Survey Certificates will be approved by a person outside the organizational jurisdiction of the accountable/responsible officer, as designated by the commanding officer.

b. Custody. The storage officer or any one under his jurisdiction charged with custody of the material may not approve GPLD Survey Certificates. The approving authority may take exception to any or all entries on the GPLD Survey Certificate and request additional justification. ↑

c. Drug Abuse Items. For losses of drug abuse items, a separate report will be made to the Drug Enforcement Administration (formerly Bureau of Narcotics) in accordance with the Drug Act of 1970; Code of Federal Regulations (CFS) Title 21, Food and Drugs, Chapter II, Part 1300 to end; and Joint Regulation DLAR 4145.11, AR 740-7, NAVSUPINST 4440.146, "Safeguarding of Sensitive, Drug Abuse Control, and Pilferable DLA Items of supply."

d. Weapons (Including Ammunition), and Small Arms (Personal Arms and Equipment). Immediately upon discovery of loss, damage, or destruction, the commanding officer or designee will determine if there is evidence of negligence, willful misconduct or deliberate unauthorized use, a Report of Survey (DD Form 200) will be initiated. (Refer to SECNAVINST 5500.4 series and NAVSUPINST 4440.115 for additional reports.)

e. Evidence of Gross Negligence—Report of Survey. When the preliminary investigation indicates gross negligence, willful misconduct, or deliberate unauthorized use of the property, or if the approving authority takes exception to any or all entries on the GPLD Survey Certificate, he will request additional justification. If additional justification is not acceptable, the accountable/responsible officer may initiate a Report of Survey (DD Form 200). Refer to par. 25158 for DD Form 200 preparation instructions, and distribution.

25160 RECOMMENDATIONS FOR DISPOSITION, REPLACEMENT, OR CONTINUANCE IN SERVICE

1. **GENERAL.** It is the responsibility of the surveying officer, board, or head of department to investigate current directives of bureaus, offices, systems commands, and local command to insure compliance with such requirements as to disposition, replacement, or continuance in service of the material as maybe in force. Subpar. 2-8 outline certain commonly used recommendations; however, these recommendations are not to be considered as complete or exclusive when the facts warrant greater detail. Recommendations will be entered in block 23 of the DD Form 200 with additional comments in block 29 where required. On the DD Form 2090 recommendations will be entered in block 15.

2. **EXPEND FROM RECORDS.** On survey of missing items a recommendation will be made to "Expend from Records."

3. REPAIR

a. Recommendations. "Repair" will be recommended when economically practical. The recommendation will specify the extent of the repairs necessary, an estimate of the time and cost involved, and whether the repairs will be made on the station or under a contract. Recommendations involving repairs also will indicate whether reissue is authorized for general or specific purposes after repair.

b. Bureau of Medicine and Surgery Major Equipment. Medical or dental electric equipment and other large items will be examined by a qualified medical or dental repairman. The repairman's signed statement will be included with the survey report.

4. **INDUSTRIAL PURPOSES.** A recommendation to issue for industrial purposes is authorized if the basic material can be reworked. In this case the material will be appraised according to its value as scrap metal. The kind of metal and its weight will be stated and the metal portion usable for naval purposes will be recommended for disposition by sale. Material valueless in part but containing portions usable for some purpose will be appraised at the total value of the usable portions.

5. **SALVAGE.** When property is damaged to the point where it must be scrapped, a recommendation will be made to turn it in to the Defense Disposal system for disposition.

6. **DONATE, DESTROY, OR ABANDON.** Recommendations for the donation, destruction, or abandonment of valueless material will be made in accordance with the Defense Disposal Manual.

7. SPECIFIC TYPES OF MATERIAL

a. Typewriters and Other Office Labor-saving Equipment

(1) Equipment to be repaired will be transferred to the contractor on a hand receipt basis.

(2) If the machine cannot be repaired economically, the disposition indicated will be "Exchange as part payment for new equipment." The surveying officer, board, or head of department will ascertain the exchange value of the machine. The following certificate will be placed on all surveys of typewriters and other office laborsaving equipment

"The provisions of the Naval Supply Systems Command Manual, 'par. 22527-6b(2), have been complied with."

(3) If the condition is so that it cannot be turned in as part payment, a DD Form 1348-1 should be prepared to turn into disposal.

b. Flags, etc. "Burn" will be recommended for United States ensigns, union jacks, commission or church pennants, and foreign flags when worn or damaged beyond economical repair.

8. IMMEDIATE DISPOSITION. Recommendation for immediate disposition of material because of its unsanitary or dangerous condition will prescribe the specific method of destruction. Material, such as totally unserviceable powder and chemicals, decayed food items, etc., the retention of which would be prejudicial to the safety and health of the community will not be deposited on the dump but will be destroyed in accordance with existing instructions by competent authority or as prudence may demand.

25161 SPECIAL INSTRUCTIONS FOR SPECIFIC TYPES OF MATERIAL

1. PLANT ACCOUNT PROPERTY

Survey Required A DD Form 200 will be processed when Class 3 property becomes unfit for performance of work or unserviceable and positive evidence of negligence, willful misconduct or unauthorized use is evident. Surveyed plant property will be expended from the plant property account in the amount at which carried.

b. Survey Not Required

(1) Survey action will not be required prior to turn over to property disposal office when Class 3 property becomes obsolete, unfit for performance of work or unserviceable and beyond repair as a result of technological advances, changes in procedures or wear and tear resulting from normal usage. The DD Form 1348-1 for the turn over to the property disposal office will be signed by the commanding officer or his designee.

(2) Serviceable plant property not required for work in hand and which is to be turned into store will be transferred from the plant account in which carried to the stores account in which normally carried, at actual of estimated original value, using DD Form 1348-1.

(3) Plant property will not be surveyed for the purpose of reducing the value at which the property is carried in the plant account.

2. LOSSES AND SURVEYS OF NAVY OWNED FUEL ↓

a. General. This section describes expected fuel inventory variances, determinable and undeterminable fuel losses (including contamination) and survey requirements for shore activities storing Navy Stock Account inventories of fuel. All surveys and losses reported in accordance with this paragraph will be charged to the Navy Stock Fund. One copy of all surveys of fuel will be provided to Navy Petroleum Office (Code 13). When surveys document losses of fuel due to theft, a Missing, Lost, Stolen or Recovered (MLSR) report will also be prepared in accordance with SECNAVINST 5500.4 (series). This paragraph does not apply to Navy Fleet Oilers or "end use" ships. Navy Fleet Oilers should consult: NAVSO P-3013, paragraph 5002, for fuel accounting guidance. End use ships should consult NAVSUP P-485, NAVSUP P-567 and fleet and type commander instructions for fuel accounting guidance.

b. Inventory Variances. Gains or losses of fuel arising from routine fuel operations are expected because of volumetric changes related to product temperature, product evaporation, and handling. (Military Standard 140 provides a detailed discussion of inventory variance sources and calculations.) In addition, changes in inventory can result from structural deformation of the storage tank at different fill capacities. Therefore, tolerance factors have been established for use as criteria in determining requirements for investigation and appropriate documentation. The terms "allowable" and "tolerance" are not to be construed as the quantity authorized for inventory adjustment. Inventory reports and accounting documents will be adjusted by only that quantity that is actually gained or lost. Variances are reconciled at the end of each month.

c. Losses Because of Contamination

(1) Contaminated Fuel Received from Naval Ships. For contaminated fuel received from fleet oilers and ships debunkering or defueling, when taken into Navy-owned stocks under the Navy Stock Fund, the procedures in pars 23137-2c and d will be followed. At shore stations operating oil reclamation plants, losses by sale may be made on a monthly basis rather than upon receipts from individual ships. A DD Form 1149 may be used to record these losses. Losses by sale (standard or local price decreases) or losses due to downgrading fuel and subsequently carrying it at the price of the fuel to which it was downgraded will be reported under financial inventory report Code N5.

(2) Contaminated Fuel in Shore Station Storage When bulk fuel becomes contaminated in storage tanks, disposal and survey instructions will be furnished from the Navy Petroleum Office upon receipt of the laboratory analysis statement and appropriate recommendation. These losses will be reported under financial inventory report Code M6.

d. Losses Because of Sampling Forwarded to Laboratories for examination and Test. Samples of petroleum products sent to a laboratory for examination and test will not be invoiced to the activity performing the accounting for the laboratory but will be forwarded on a no price memorandum invoice. Samples which are not returned to the store will be charged to the Navy Stock Fund and reported under financial inventory report Code M6. Normally, samples will be forwarded to a laboratory for examination and test

as a result of directives furnished by the cognizant Naval Supply Systems Command inventory control point. ↑

e. Unresolved Discrepancies - Further Research Indicates Evidence of Personal Responsibility

(1) Method of Adjustment. These types of discrepancies require a formal investigation processed in accordance with par. 25156. A Report of Survey (DD Form 200) will be used to justify adjustments of the stock record to the actual inventory on hand and to relieve the accountable officer of property accountability/responsibility.

(2) Determination of Cause. A cause or probable cause will be determined for this type of transaction.

3. NUCLEAR WEAPONS MATERIAL

a. Report of Survey (DD Form 200) Required In general, a Report of Survey (DD Form 200) is required for unintentional loss or destruction of the following types of nuclear weapons material:

(1) Nuclear Regulatory Commission produced war reserve material which includes stockpile bombs, warheads, major assemblies, nuclear assemblies, nuclear capsules, core units, and unassociated components containing or made of source and special nuclear material; DD Form 200 will be prepared in accordance with par. 25158 and Navy Special Weapons Ordnance Publication 5-6.

(2) Department of Defense war reserve material which includes nuclear adaption kits, fuzing, and firing assemblies, battery power supplies, and bomb complements; DD Form 200 will be prepared in accordance with par. 25158. When this material is physically associated with the Nuclear Regulatory Commission produced war reserve material, the Department of Defense material will be listed on the survey report prepared in accordance with item 1.

(3) Nuclear Regulatory Commission produced training material which includes training bombs and warheads designated type 3, 3A, 3B, 3C, or 3E, and related major assemblies; survey will be prepared on the Report of Loss, Destruction, or Expenditure of Weapons Material (FC/DASA Form 265) in accordance with the Navy Special Weapons Ordnance Publication 100-1.

(4) Department of Defense produced training material, in addition to material in item 2, Department of Defense produced bomb dummy units (BDU) designed for pilot training; the survey will be prepared on DD Form 200 in accordance with par. 25158. When items are physically associated with Nuclear Regulatory Commission produced training material, the survey will be prepared on FC/DASA Form 265 in accordance with item 3.

(5) Operational suitability test and quality assurance test weapons include bombs, missiles, and torpedoes designed for test drop or firing without full scale detonation; survey will be prepared on the FC/DASA Form 265 in accordance with Navy Special Weapons Ordnance Publication 100-1.

(6) Source and Special (SS) nuclear material (see par. 26512-1 7) components made of or containing source and special nuclear material and physically associated with a war reserve bomb or warhead will be listed on DD Form 200 prepared in accordance with item 1; a separate DD Form 200 is required for unassociated war reserve components containing source and special material; for training category source and special material, an FC/DASA Form 265 will be prepared in accordance

with Navy Special Weapons Ordnance Publication 100- 1; disposition instructions will be requested from the Navy Ships Parts Control Center for any recoverable source and special material or residue therefrom.

(7) Nuclear weapons accidents and incidents; a survey is required only when the weapon involved is lost or destroyed. OPNAV Instruction 8110.16 series covers reporting of accidents and incidents.

b. Report of Survey (DD Form 200) Not Required

(1) A Report of Survey (DD Form 200) is not required to report intentional loss or destruction, e.g., firing of an operational suitability test (OST) or quality assurance service test (QAST) missile. The FC/DASA Form 265, prepared in accordance with Navy Special Weapons Ordnance Publication 100-1 will be used.

(2) Nonexplosive nuclear weapons material assigned category C by a quality evaluation laboratory will be disposed of locally except that salvageable components and assemblies will be returned to the nuclear weapons supply point for disposal. One copy of the expenditure document authorizing disposal will be forwarded to the Naval Sea Systems Command and one copy to the Navy Ships Parts Control Center.

25162 REVIEW OF THE SURVEY REPORT BY HIGHER AUTHORITY

1. GENERAL. Except under the circumstances described in par. 25157-6, survey reports will be forwarded to the cognizant command for final review and approval only when required by the instructions in subpars. a-c below or such other specific instructions as may be issued by the commands concerned.

a. Naval Supply Systems Command

(1) Retail Clothing Store Stock, Commissary Store Stock, and Food Service Management. For instructions concerning retail clothing store and

▼ commissary store stock, see NAVSUP Manual, Volume IV; for instructions concerning Enlisted Dining Facilities Afloat and Ashore, Officers' Quarters and Messes Afloat and Chief Petty Officers' Messes Afloat, see NAVSUP Publication 486, Volumes I and II.

b. Naval Sea Systems Command

(1) Original Survey Report. The original survey report will be forwarded to the Naval Sea Systems Command for final review and approval for the following:

1. surveys involving destruction of ammunition or explosives which have occurred without prior Naval Sea Systems Command authorizations; and
2. surveys of any other material when the commanding officer considers that submission to the Naval Sea Systems Command for approval is desirable.

(2) Information Copy

(a) Ordnance Type Material. The Naval Sea Systems Command and the Navy Ships Parts Control Center each requires an information copy of Report of Survey (DD Form 200) covering lost or damaged beyond repair nuclear training weapons, major assemblies or major components thereof, and nuclear ordnance test and handling items and a copy of each survey report will be forwarded to the Naval Sea Systems Command for surveys of lost, damaged, or destroyed Nuclear Regulatory Commission produced war reserve stockpile nuclear weapons and major assemblies and major components thereto (see Navy Special Weapons Ordnance Publication 1004 for additional details and distribution of survey reports).

(b) Ships Type Material. The Naval Sea Systems Command requires a copy of all surveys of production equipment under its cognizance in the following categories:

1. machine tools, metal forming equipment, woodworking equipment, and shop equipment when the acquisition value of the item is \$1,000 or more;
2. when the acquisition value in item 1 cannot be determined;
3. cognizance symbol 2F electronic equipment.

When the surveyed equipment is reportable for screening by the Naval Sea Systems Command before expenditure or other disposition as required by the Defense Disposal Manual, the copy of the survey will be attached to the Report of Excess Personal Property (Standard Form 120) covering the same items. When not reportable, the surveyed equipment may be expended and disposed of in accordance with prescribed procedures upon authorization of the commanding officer or other officer who ordered the survey.

c. Naval Air Systems Command. A copy of all approved surveys of cognizance symbols under the inventory management of the Naval Air Systems Command must be forwarded for review. If the survey must be approved at the command level, the original and all but one copy will be forwarded. One copy of the survey should be retained by the activity preparing the survey for control purposes.

d. Bureaus not Requiring Review. In the absence of specific instructions, survey reports will not be forwarded to the Bureau of Medicine and Surgery for final review and approval.

25163 SURVEY EXPENDITURES

1. **GENERAL.** Upon receipt of the properly approved Report of Survey (DD Form 200), the officer carrying the surveyed material on his records will complete the expenditure action. If material is to be turned into disposal, expend from the records and ship on a DOD Single Line Item Release/Receipt Document (DD Form 1348-1) in accordance with the Defense Disposal Manual.

2. **NAVY STOCK ACCOUNT MATERIAL.** All surveys of Navy Stock Account material resulting in an expenditure will show the Navy Stock Fund as the appropriation chargeable except in the following cases:

1. material purchased for a particular bureau, command, or office which has become obsolete because of a change in design or practice;
2. ship's store stock, commissary store stock, and clothing which will be charged in accordance with procedures in Ship's Store Afloat (NAVSUP Pub 487) and NAVSUP Manual, Volume IV.

3. ACCOUNTING.

a. Surveyed Material Retained in Store. When as a result of a survey it has been determined that the material will be retained in store but that its monetary value has decreased, the amount of the decrease in value will be reported opposite financial inventory report code M6 "Shrinkage, theft, etc.", or financial inventory report code M7 "Major disaster losses", as appropriate, and on the Financial Inventory Ledger (NAVCOMPT Form 2153) opposite financial inventory report code caption M6 or M7, as appropriate, under the cognizance symbol and class at the time of the loss.

b. Surveyed Material to be Sold as Usable or Salvage Material. When as a result of a survey it has been determined that the material has a sales value as usable or salvage material, or to be sold as scrap, the material will be expended from the records and shipped to disposal in accordance with the Defense Disposal Manual.

c. Surveyed Material to be Exchanged. When as a result of survey it has been determined that the material has an exchange value, the book value of the material will be expended and will be reported opposite financial inventory report code M6 "Shrinkage, theft, etc.", or financial inventory report code M7 "Major disaster losses", as appropriate, under the appropriate cognizance symbol and class.

d. Surveyed Material With No Value. When the material has been lost or determined to have no further value in store and has no sales value, the book value of the material will be expended and will be reported opposite financial inventory report Code M4 for loss by physical inventory when no personal responsibility is evident by M6 "Shrinkage, theft, etc.," for loss when personal responsibility is evident or M7 "Major disaster losses," as appropriate, under the cognizance symbol and class at the time of the loss.

e. Surveyed Controlled Substances to be Destroyed. When destruction of controlled substances is directed, destruction will be accomplished in the presence of the surveying officer or a member of the survey board. A certification, signed by the officer(s) witnessing the destruction will be submitted to the commanding officer of the activity having accountability for this material. The certification will include the complete nomenclature and quality of the substances destroyed and the

method used to accomplish destruction. The completed certification will be retained in the files with a copy of the DD Form 200 as authority for expending the item from the appropriate records. The book value of the destroyed substances will be reported opposite financial inventory report code M6 "Shrinkage, theft, etc.", under the cognizance symbol and class at the time of the loss.

f. Surveyed Classified Material and Equipment. When destruction of classified material and equipment is directed, it will be accomplished in the presence of two witnessing officials. A certification, signed by the two officers witnessing the destruction (as required by OPNAV Instruction 5510.1 series) will be submitted to the commanding officer of the activity having accountability for the item. The certificate will provide all necessary information (complete identification of the item destroyed, date of destruction, as well as the signatures of the two witnessing officials). The completed certification will be retained with the DD. Form 200 that was used to expend from stock and financial records as FIR Code M6 within the same accounting period.

g. Survey Procedures for Retail Clothing and Commissary Stores. These procedures are in NAVSUP Manual, Volume IV and for Ship's Stores Afloat, NAVSUP Publication 487.

25164 REIMBURSEMENT TO THE GOVERNMENT

1. GENERAL. There is no statutory authority for the withholding of pay of nonaccountable persons for the loss of or damage to Government property. An exception to this is as defined by DoD Instruction 4270.21, "Policy and Criteria for Operation, Maintenance, and Repair of Defense Family Housing" as amended by Title 10, United States Code, Chapter 165, Section 2775, concerning liability of members for damages to family housing, equipment and furnishings. It is the policy of the Department of the Navy that, in the absence of statutory authority, an individual's pay may not be withheld for loss of or damage to Government property unless the individual voluntarily consents to the withholding. However, under the provisions of Title 31, United States Code, 89-92, the Commander, Naval Supply Systems Command is authorized to make determinations relating to the responsibility of accountable officers for the loss of property entrusted to them, which occurred through the negligence of the..



accountable officers. Determinations of the naval commander are made on the basis of technical and legal review of evidence contained in investigations conducted in accordance with the provisions of the JAG Manual. The indebtedness of an accountable officer is established when the commander or director certifies charges to the General Accounting Office; and this is considered sufficient to permit withholding of current pay, as well as final pay, as prescribed in the Department of Defense Pay and Entitlements Manual, par. 70702. For nonaccountable persons, indebtedness maybe established pursuant to the provisions of the JAG Manual, Section 0145. If Naval personnel voluntarily consent in writing to collection or checkage of pay, (refer to NAVCOMPT Manual, par. 043 114.2) the following procedures apply:

a. Collections from Enlisted Personnel

(1) The commanding officer, officer in charge or designee advises the enlisted personnel of:

- (a) right to legal counsel;
- (b) right to rebut the findings;
- (c) right to make remittance direct to the disbursing officer;
- (d) right to appeal the findings of the report of survey.

b. Collections from an Officer or Warrant Officer

(1) When an officer or warrant officer is held pecuniary liable, the commanding officer, officer in charge or designee performs the following:

- (a) Notifies the individual of his/her rights and requests that he/she:

1. Remit the amount to the local disbursing officer and furnish a copy of the receipt to accompany the report of survey.

2. Authorize preparation of NAVCOMPT, Form 3060 (Military Pay Order) authorizing a deduction from pay as provided in the DOPPM.

- (b) Sends a copy of the DD Form 200 to the disbursing officer for collection.

c. Civilian Employee Held Liable

(1) The commanding officer, officer in charge or designee will:

- (a) Notify the employee of the indebtedness and request the amount of the charge to be remitted.

- (b) If employee refuses to remit the charge, disciplinary action may be taken in accordance with OCMMINST 12000.1 (CMMI 751. 1). Greater penalties may be assessed depending upon the circumstances. ,

d. Evidence of Negligence—Reimbursement.

If the results of the research are positive, and the responsible individual admits pecuniary liability, for a loss, damage or destruction not exceeding \$500, a DD Form 2090, GPLD, may be used for adjustment of records and he may agree to reimburse the Government in one of two ways:

1. He may pay in cash, in which case a Cash Collection Voucher (DD Form 1131) will be processed.
2. He may authorize deduction from his pay by signing a Military Pay Order (NAVCOMPT Form 3060).

If the amount exceeds \$500, a Report of Survey (DD Form 200) will be processed.

Subsection 2: DISCREPANCIES IN SHIPMENT

25170 DISCREPANT SHIPMENTS

1. GENERAL. This subsection contains procedures for discrepancies in shipment to naval activities from Navy, Marine Corps, Departments of the Army and Air Force, Defense Logistics Agency (DLA), General Services Administration (GSA) stock points, and manufacturers and vendors. Accounting procedures for processing

discrepancies in shipment are contained in NAVCOMPT Manual, pars. 034140-034158. Accounting procedures for discrepancies in shipment are contained in NAVSUP Manual, Volume IV for retail clothing and commissary stores, in NAVSUP Pub 485 for ships afloat, in NAVSUP Pub 486 for food services, and in NAVSUP Pub 487 for ship's stores afloat.

2. REPORT OF SURVEY (DD FORM 200) AND GPLD (DD FORM 2090) NOT REQUIRED, ADD Form 200 or DD Form 2090 is not required for discrepant shipments when:

- a. loss or damage is covered by a Report of Discrepancy (Standard Form 364) sent to a contractor (see par. 23063-2), or DOD and GSA Distribution Facilities (see par. 23064 and NAVMATINST 4355.73 (formerly NAVSUP-INST 4440.127 series));
- b. loss or damage in shipment is replaced by commercial carriers without expense to the Government;
- c. loss or damage, is covered by , a Discrepancy in Shipment Report (Standard Form 361), Cargo Outturn Report (DD Form 470), Private Vehicle Shipping Document (DD Form 788) (see NAVSUP Manual, Volume V, pars. 57000-57084 and NAVSUPINST 4610.33 series);
- d. loss or damage is less than the thresholds established for submission of Standard Forms 361 and 364. Shipments will be expended without survey on Requisition and Invoice/Shipping Document (DD Form 1149) or DOD Single Line Item Release/Receipt Document (DD Form 1348-1) annotated "Loss by Survey", with a statement thereon explaining the circumstances of the loss or damage. Any inspection or packer's ticket found in the packing container will be attached to the copy of the DD Form 1149 or DD Form 1348-1 to be retained in the activity file.

3. SURVEY OF MATERIAL RECEIVED BY A TRANSSHIPPING ACTIVITY IN A SHORT OR DAMAGED CONDITION

a. Determination of extent of damage or less for material received from commercial sources. When shipments of government owned material are received from commercial carriers in a short or damaged condition, the transportation personnel assigned such duties will examine the material to determine the extent of, and liability for, the loss or damage, and will take action in accordance with subpars. 2 and 3. When material which is procured from commercial supplier, with title passing to the Government at the point of transshipment, is received in a short or damaged condition, action will

be taken in accordance with NAVSUP Manual, pars. 57017 and 57072 .-

b. Notation of Loss or Damage. When loss or damage is determine to be the responsibility of the carrier, the U.S. Government Bill of Lading (Standard Form 1103) or the Cargo Outturn Report (DD Form 470) will be annotated to show the extent to which the carrier is considered liable and, if known, the money value or the shortage or damage.

c. Survey of Repairs

(1) When Required. Except for the, limitation defined in subpar. 2d, the transshipping activity will prepare a Discrepancy in Shipment Report (Standard Form 361) for all shipments received in a short or damaged condition from a commercial carrier. The survey will be completed by the transshipping activity except for accounting information. One copy of the Standard Form 361 will be furnished to the ultimate consignee. In the case of retail clothing stores, see NAVSUP Manual, pars. 42265-42295; for food items, see Food Service Management-Volume I, pars. 6160, 6161; and for ship's store stock, see Ship's Store Afloat, pars. 1380-1387. The Standard Form 361 will be prepared in accordance with appropriate instructions in all cases where the Standard Form 361 is applicable and the ultimate consignee is an afloat activity. The transshipping activity preparing the Standard Form 361 will annotate thereon the following:

"This is an approved survey. Expenditure will be accomplished in accordance with the Naval Supply Systems Command Manual, par. 25163. "

(2) When not Required. When damages in transit, for which the commercial carrier is responsible, are determined to be of a minor nature, repairs will be effected locally in accordance with NAVSUP Manual, par. 57053; and the material will be forwarded to the consignee at final destination. When examination of the material indicates that the extent of the damage is such as to require technical or extensive repairs, disposition instructions will be requested from the bureau, command, or office having cognizance of the material. The damaged material will be held at the transshipping activity pending receipt of such instructions. A copy of the request will be forwarded to the ultimate consignee. ↑

↓ The Standard Form 1103, the DD Form 470, or the Standard Form 1196, as appropriate, will be accomplished, noting all shortages or damages as required in subpar. 2. The shipping documents annotated with the information pertaining to the loss or damage will be forwarded to the ultimate consignee or accounting activity who will expend the loss or damaged material from the stock records on a Requisition and Invoice/Shipping Document (DD Form 1149) or DOD Single Line Item Release/Receipt Document (DD Form 1348-1) as

required by par. 25155-4. The Standard Form 361 will not be prepared when" the carrier effects complete repair or replacement.

d. Responsibility. The transshipping activity has a responsibility to provide protection for material in its possession and to exercise due diligence in attempting to locate missing items. However, the activity whose end use funds were obligated (directly or washed through the Navy Stock Fund) to procure material which is lost or damaged is responsible for funding its replacement or repair. ↑

Section VII: MISCELLANEOUS SALES AND EXCHANGES

25180 SALE OR EXCHANGE OF NAVY PERSONAL PROPERTY

1. AUTHORITY. Section 201 (c) of the Federal Property and Administrative Services Act, approved June 30, 1949 (63 Stat. 384) as amended (40 U.S. Code 481(c)), authorizes the exchange or sale of certain personal property and the application of the exchange allowances or proceeds of sale in whole or in part toward the purchase of similar personal property. Exchange of any personal property in part payment for similar new property may be made when there is a bona fide need for the new property and such transactions serve the best interest of the Government. Although personal property may be exchanged under the statute, the authority for sales for replacement is limited within the Department of the Navy to the following types of personal property:

1. machine tools under the cognizance of the Naval Sea Systems Command which are listed within Federal Supply Classification Codes 3411 to 3419 and 3441 to 3449 of the Federal Stock Catalog;
2. advanced base construction, automotive, and service equipment under the cognizance of the Naval Facilities Engineering Command.

2. EXCHANGE AGREEMENTS. When it has been affirmatively determined by the bureau, command, or office concerned or the activity desiring to make a replacement of property, including government owned property in the possession of contractors, that the best interests of the Government will be served by exchanging personal property

in part payment for similar new property a requisition will be submitted to the appropriate field purchasing activity (see Field Purchasing, par. 1026). The requisition will identify the material to be exchanged and will indicate how potential suppliers may make arrangements to inspect the material which is to be exchanged. All agreements providing for the acceptance of personal property in exchange for the purchase of similar items under the authority prescribed herein will be in writing and will be referenced in the contract or order. The appropriation paying for the new items will be charged the net amount under deduction of the exchange allowance.

3. STORES ACCOUNTING

a. Plant Property Exchanged of Property Taken up in Stores. When plant account property is exchanged in part payment for similar new property which is to be taken up in a stores account, the disposition of plant property will be accounted for in accordance with the Navy Comptroller Manual, pars. 036100-036412. The net amount paid for the new property will be taken up in the stores account as a receipt from purchase, and the exchange value will be taken up in the stores account as material turned in to store without appropriation charge.

b. Stores Account Material Exchanged for Stores Account Material. When stores account material is exchanged for similar new material to be taken up in stores, the book value of the old material will be expended from stores as a loss by survey in accordance with par. 25 162-4c. The net amount paid for the new material will be taken up

in the stores account as a receipt from purchase, and the exchange value will be taken up in the stores account as material turned in to store without charge.

c. End Use Material Exchanged for Stores Account Material. When material which is not in plant account or any stores account is exchanged for similar new material to be taken up in stores, the net amount paid for the new material will be taken up "in the stores account as a receipt from purchase and the exchange value will be taken up as material turned in to store without appropriation charge.

d. End Use Material Exchanged for End Use Material. When material which is-not in plant account or any stores account is exchanged for similar new material to be charged immediately to end use, no stores accounting will be involved. The net amount paid for the new material will be charged to the applicable appropriation, bureau control number, and end use functional account.

e. Property Sold for Replacement. Navy personal property sold for replacement in accordance with subpar. 1 will be expended at sale value as a cost charge to 17X1995, Losses, Expenditures and Transfers Without Reimbursements, Appropriation, Purchases Account, Cost Not Allocated to Any Appropriation, and functional account 99124. The transaction will be reported opposite the balance sheet caption "Other". The difference between the book value of the property and the sale value will be expended as an accounting adjustment and reported as a cost charge to 17X1995, Losses, Expenditures and Transfers Without Reimbursements, Appropriation Purchases Account, Cost Not Allocated to Any Appropriation, and functional account 99207.

4. TRANSFER OF TITLE FOR AUTOMOTIVE VEHICLES. For instructions on transfer of, title for automotive vehicles, see the Defense Disposal Manual.

Section VIII: ISSUES OF CLASSIFIED MATERIAL OTHER THAN CRYPTOGRAPHIC MATERIAL

25220 REQUESTS FOR CLASSIFIED MATERIAL

Requests for classified material will be received in the form of a message, speedletter, or a requisition. All requests will be delivered to the issue control branch supervisor who has been cleared to handle classified material. Designated personnel will place one copy of the request in the issue control file for classified documents. Other copies of the request document will be hand-carried to the designated stock control branch and financial editing personnel for processing. Receiving and transshipping ac-

tivities will be notified in advance of shipments of classified material. Such advance notification will be made in a manner which will insure identification prior to receipt of material. Expenditure documents will include coded security information; however, documents which include classified data will not be attached to the exterior of the container but will be mailed with the bill of lading to the consignee. The classification code will be entered in block N when the DOD Single Line Item Release/Receipt Document (DD Form 1348-1) is used. Classified information will not be included on bills of lading.

**PART B: ISSUES TO OTHER, GOVERNMENT DEPARTMENTS,
PRIVATE PARTIES, AND MISCELLANEOUS NAVAL
ACTIVITIES**

Section 1: AUTHORITY AND RELATED INSTRUCTIONS

25310 GENERAL

Within the provisions and limitations set forth in this section, material may be issued ashore to other than naval activities upon the receipt of an acceptable request paper, in triplicate, duly signed by an authorized officer or official of the requesting activity. Requests will be screened in the same manner as requests from naval activities with particular attention to the propriety of the:

1. authority;
2. complete accounting instructions, including the appropriation of the other government department to be charged;
3. statement indicating the name, title, and address of the activity to which the bill is to be rendered; in the case of Marine Corps activities, the name and unit identification code of the activity performing allotment accounting for the requesting activity.

25311 ISSUES TO THE MARINE CORPS

1. GENERAL. Issues to the Marine Corps are made directly from the stores accounts in which the material is held on a Requisition and Invoice/Shipping Document (DD Form 1149) or a DOD Single Line Item Requisition System Document (DD Form 1348). Invoices will show:

1. an itemization of the material;
2. for transactions involving field allotment: the Marine Corps appropriation, bureau control number, and functional account and unit identification code of the Marine Corps accounting activity;
3. for transactions involving a bureau control number accounted for by Headquarters, U.S. Marine Corps, the headquarters commitment authorization number will be shown in addition "to other applicable accounting data (the "HCA No. ___" will be shown in the space for description of the articles or services).

The signature of an officer of the Marine Corps will be obtained on the original and two copies of the invoice simultaneously with the delivery of the material when practicable, or as soon thereafter as possible. Issues for use on work being done for the Marine Corps will be made on DD Form 1149 or DD Form 1348, chargeable direct to the appropriation chargeable for the work.

2. MATERIAL CARRIED IN THE NAVY STOCK ACCOUNT. If specific authority is granted by a bureau, command, or office of the Department of the Navy. for issue from the Navy Stock Account to a Marine Corps activity with charge to an appropriation under the control of the authorizing bureau, command, or office, that appropriation will be charged. In the absence of specific authority, the cost of the material issued from the Navy Stock Account will be:

1. transferred in functional account 51000 to those Marine Corps activities rendering Navy Stock Account stores returns; or
2. processed as a cash sale in the case of transfers to Marine Corps stores accounts (see the Navy Comptroller Manual, par. 032502-1);
3. issues to the Marine Corps other than transfers in functional account 51000 or transfers to Marine Corps stores accounts will be expended to the applicable Marine Corps appropriation, bureau control number, and functional account as shown on the request document and reported on the Labor Roll/ Material Charges and Credits (NavCompt Form 2051) prepared by the issuing activity.

Each activity that has issued Navy Stock Account material to a Marine Corps activity with the charge being made on the NavCompt Form 2051, will prepare at the end of each month, a Report of Fund Authorization Charges (NavCompt Form 2074) for each appropriate receiving activity. One copy of each issue document will be forwarded with the report. Reports will be forwarded to the activity performing allotment accounting for the requesting activity as designated in the request document. Reports covering charges to headquarters commitment will be submitted to Headquarters U.S. Marine Corps. Material issued for use on work being done for the Marine Corps will be charged as follows:

1. for transactions involving field allotments: the Marine Corps appropriation, bureau control number, and functional account;
2. for transactions involving a bureau control number accounted for by Headquarters U.S. Marine Corps, the headquarters commitment authorization number will be abbreviated as "HCA No. ___" and shown with other applicable accounting data (when more than

one headquarters commitment authorization number is cited on the same voucher, the amount applicable to each number will be shown).

3. MATERIAL CARRIED IN THE APPROPRIATION PURCHASES ACCOUNT

a. Without Reimbursement. If the bureau, command, or office which originally financed procurement of the Appropriation purchases Account material concerned has granted specific authority for issue without reimbursement or if the material is of a type for which general authority has been granted, it will be issued without reimbursement. The issue will be made in the Appropriation Purchases Account as follows:

1. to Marine Corps activities rendering Appropriation Purchases Account stores returns, invoice as a transfer between supply officers;
2. to other Marine Corps activities, expend as a cost charge to the applicable Marine Corps appropriation and functional account, unless such issues meet the requirements of the Navy Comptroller Manual, par. 022082-4a.

The invoice supporting the transaction will reference the authority for the issue without reimbursement.

b. With Reimbursement. In the absence of authority for issue without reimbursement, the issue will be made by transfer in the Appropriation Purchases Account to those Marine Corps activities rendering Appropriation Purchases Account stores returns with a reference on the invoice to the requirement for reimbursement (see the Navy Comptroller Manual, par. 032502 -2c), or for other Marine Corps activities and when the material is issued for use on work done for the Marine Corps, it will be issued direct from the Appropriation Purchases Account in accordance with the Navy Comptroller Manual, par. 032502-2b, and an adjustment of appropriations will be effected in accordance with the Navy Comptroller Manual, par. 032502-5.

4. MATERIAL NOT IN STOCK. Naval activities which receive authorized requests from the Marine Corps for material which is not in stock, when requested by the Marine Corps activity, will request shipment of the necessary material from the appropriate naval activity by means of a DD Form 1348. The naval activity receiving the DD Form 1348 will invoice the material to the naval activity which originated the DD Form 1348 as a transfer between supply officers. Upon receipt of the material, the requesting activity will issue the material to the Marine Corps in accordance with instructions *in* subpars. 2 and 3.

5. ELECTRONIC MATERIAL

a. Interim Requirements. Interim requests for electronic parts peculiar to equipment purchased under a Naval Ship Systems Command contract will be forwarded direct to the Navy Electronics Supply Office by the Marine Corps Supply Activity, Philadelphia. If the material normally is stocked in the electronics supply system, the Navy Electronics Supply Office will either issue shipment orders for the transfer of the material to the Marine Corps, provided such transfer will not jeopardize meeting the normal demand as shown by previous issues, or initiate procurement action. Requests for material which *is not* stocked will be returned.

b. Emergency Requirements. Emergency requests for limited quantities of electronic material required to meet urgent operational needs will be initiated by Marine Corps activities or organizations and will be forwarded to the nearest stocking activity. Activities in Alaska and Hawaii and over seas will provide the material if it is available, or will notify the Marine Corps that the request cannot be filled. Activities in the United States except Alaska and Hawaii will issue the material when it is available or will notify the Marine Corps that the request cannot be filled locally but will be submitted to the next echelon of supply, if desired. Requests reaching the Navy Electronics Supply Office will be filled by the redistribution of stock. If stock is not available, the Marine Corps will be advised that the request cannot be filled.

c. Reimbursement. All issues to the Marine Corps will be reimbursable. All requests submitted will stipulate the appropriation and other pertinent accounting information to be charged including transportation appropriations chargeable.

6. ISSUES TO MARINE CORPS AVIATION UNITS. Issues of material to Marine Corps aviation units listed in the Navy Comptroller Manual, par. 025304, will be handled in accordance with the Navy Comptroller Manual, par. 032508.

7. FORCED ISSUES OF SUBSISTENCE RESERVE STOCK. Forced issues of subsistence reserve stock to Marine Corps activities will be expended *in* accordance with par. 25975.

25312 ISSUES TO THE U.S. COAST GUARD

1. AGREEMENT. The agreement (NAVMAT Instruction 4400.18) (referred to as the Basic Agreement) between the Naval Material Command and the U.S. Coast Guard promulgates the basic logistic support policy between elements of the Naval Material

Command and the Coast Guard. The format of the Basic Agreement is the following:

1. General provisions--applicable to all organizational elements of the Naval Material Command;
2. Systems command sections--each applicable to a systems command, including subordinate organizational elements, and encompassing elements peculiar to that systems command.

2. COAST GUARD REQUISITIONS

a. Normal Requisition Processing. Navy stock points receiving requisitions from the Coast Guard (Service Code Z) for normal Coast Guard requirements will process them in the same manner as those requisitions received from Navy sources except that issues will be made on a cash sale basis.

b. Initial Outfitting of Coast Guard Vessels. Requisitions for initial outfitting received from the Coast Guard for, or in support of, Navy owned equipment will be issued without charge to the Coast Guard. Under the Basic Agreement with the Naval Material Command, hardware systems commands will provide allotments to outfit supply activities to finance both Navy Stock Account (NSA) and Appropriation Purchases Account (APA) material in support of Navy owned equipments. These requisitions will show Service Code N and will cite Navy fund codes and a Navy "bill to" activity to accept charges, or to enable processing of statistical charges.

c. Follow-on Support Procedures for Navy Owned Equipment

(1) General. Requisitioning procedures for material in support of Navy owned equipment set forth in subpars. (2) and (3) will be used from the period after initial outfitting and before amalgamation of the Coast Guard or specific Coast Guard units with the Navy in time of emergency or special operations.

(2) Equipment Provided the Coast Guard Without Reimbursement. The following equipment and material will be provided to the Coast Guard by the Navy without reimbursement:

1. scheduled replacement of Navy owned equipment,
2. replacement of defective initial issue Navy owned equipment,
3. material for Navy authorized field changes or modifications to Navy owned equipment,
4. Appropriation Purchases Account repair parts that are follow-on requirements in support of Navy owned equipment.

(3) Processing Coast Guard Follow-on Requisitions

(a) General. In consonance with the provisions of the Basic Agreement, Coast Guard follow-on requisitions for material in support of Navy owned equipment aboard Coast Guard vessels and aircraft will be processed in accordance with subpars. (b), (c), and (d)..

(b) Requisitions for Navy Stock Account (NSA) Material. Requisitions for Navy Stock Account material will be honored by Navy inventory control points (ICPs) and stock points on a cash sale basis. Reimbursement to the Coast Guard by the Navy will be effected quarterly as prescribed in the Basic Agreement, par. 4B.

(c) Requisitions for Navy Appropriation Purchases Account (APA) Material. Requisitions for Navy Appropriation Purchases Account material outlined in subpar. (2) will be processed on a nonreimbursable basis and will bear a D or M signal code and no fund code. The Coast Guard normally will submit their requisitions for Navy APA material directly to the cognizant Navy inventory control point (ICP) or systems command (SYSCOM) inventory manager for supply action. When Navy stock points, as the initial point of system entry, receive Coast Guard requisitions with a priority 01-03, they will process them immediately, unless specific restrictions exist prior to issue (see note), and notify the appropriate Navy ICP or SYSCOM inventory manager subsequent to issue action. Stock points receiving any other Coast Guard requisitions (priority 04-15), as the initial point of system entry, will refer them to the appropriate Navy ICP or SYSCOM inventory manager. If any discrepancies become apparent to the ICP after the ICP has been notified by the stock point, the ICP will bring them to the attention of the cognizant systems command and/or the Chief of Naval Material. The discrepancies will be resolved at the Headquarters level.

(d) Requisitions for Special Items of Material. Under normal conditions Coast Guard requisitions for APA material in support of Navy owned equipment will not be rejected by either Navy stock points or inventory control points without the concurrence of the cognizant systems command; however, items with issue/repair/requisition restrictions or fleet controls established are considered exceptions to the above; e.g., special propulsion and nuclear material. Requisitions for this type of material received from the Coast Guard will be processed in the manner and precedent authorized by the material releasing authority. If a requisition for NSA or APA material not in support of Navy owned equipment (determination to be made by Navy ICP

or SYSCOM inventory manager in case of APA material) is received without a fund code citation, MILSTRIP procedures for return of the requisition to the requisitioning activity for fund code citation will apply.,

NOTE: NAVSHIPS managed items are under prior-to-issue restrictions, and stock points must obtain approval prior to release on priority 01-03 requisitions.,

25313 TRANSFERS TO NATIONAL SHIPPING AUTHORITY VESSELS

Requests for material furnished to National Shipping Authority vessels will be signed "National Shipping Authority (name of steam-ship company), Agent". When material other than material issued incident to work or services is furnished, the transaction will be treated as a cash sale with payment concurrently with delivery of the material. The term "concurrently with the delivery of the material" will be construed to mean that payment must be in the hands of the supply officer at the time of release of the material from Navy custody. Surcharges will not be applied.

25314 TRANSFERS TO FEDERAL ORGANIZATIONS OTHER THAN THE DEPARTMENT OF THE NAVY AND TO FOREIGN GOVERNMENTS

1. TRANSFERS TO FEDERAL ORGANIZATIONS OTHER THAN THE DEPARTMENT OF THE NAVY

a. Transfers to Other Department of Defense Organizations

(1) General. Performance of work and services and the furnishing of supplies within and between military services and defense agencies of the Department of Defense are authorized (10 U.S. Code 2571).

(2) Waiver of Charges. Reimbursement billings will not be made for less than \$100 except for credits to the Navy Industrial Fund and the Navy Management Fund. Monthly charges of less than \$100 will not be immediately waived, but will be held in suspense. If the cumulative value of these transactions during the current calendar quarter amounts to \$100 or more by the end of the second or third month, the customer will be billed for these charges during the billing for that month. If the cumulative value of the transactions remaining unbilled at the end of the quarter amounts to less than \$100, those charges will be waived, except that credits to the Navy Stock Fund amounting to less than \$100 will be billed when either the transaction becomes 90 days old or at the end of a fiscal year, whichever occurs first.

b. Transfers to Federal Organizations Other Than the Department of Defense

(1) Authorization. The Economy Act, approved June 30, 1932 (47 Stat. 417) as amended (31 U.S. Code 686 et seq.) authorizes the departments and offices of the Government to transfer to other federal agencies material, equipment, or services, etc., which are not excess to the needs of the department or office. It is the policy of the Department of Defense to provide, upon request, reimbursable logistical support and services to other federal agencies to the extent feasible. Support will be rendered providing it can be accomplished without impairment to the primary mission of the Department of Defense.

(2) Peace Corps. Consistent with the policy outlined in subpar. (1), naval activities will provide the Peace Corps overseas with medical supply support to the maximum extent possible.

c. Policy

(1) Written Requests. All transfers between government departments must be preceded by orders, requisitions, or other authorized requests. In the case of the military departments of the Department of Defense, transfers will be preceded by a Requisition and Invoice/Shipping Document (DD Form 1149) or a DOD Single Line Item Requisition System Document (DD Form 1348) from Departments of the Army or the Air Force to the Navy inventory manager or the Defense Supply Agency inventory manager having supply management of the material. All documents will be in writing, specific as to the material, equipment, or services to be furnished, and approved by competent authority.

(2) Approval Required. Any material may be transferred, subject to the approval of the inventory manager having supply management over the material. Requests will be submitted on the DD Form 1149 or the DD Form 1348 direct by the Army and the Air Force to the cognizant Navy inventory manager or Defense Supply Agency inventory manager.

d. Pricing. Material which is furnished from inventory stocks will be billed at standard or local carrying price. Transportation costs will be borne by the transferee. Accessorial charges will be added in accordance with the Navy Comptroller Manual, pars. 035960-035965 For specific exceptions relating to fuel items, see par. 25320, and to food items, see Food Service Management (NAVSUP P-486), par. 6222.

e. Nondistinctive Items of Clothing. Transfers of nondistinctive items of clothing to other government departments will be made

upon receipt of a request in writing from an accredited representative of a government department.

2. TRANSFERS TO FOREIGN GOVERNMENTS

a. Authority

(1) Transfers on a Reimbursable Basis. Mutual Security military sales to foreign governments will be made in accordance with the Mutual Security Act of 1954 approved August 26, 1954 (68 Stat. 832) as amended (22 U.S. Code 1750-1939).

(2) Transfers on a Grant-Aid Basis. Transfers to foreign governments on a nonreimbursable basis will be made in accordance with the Mutual Security Act of 1954 approved August 26, 1954 (68 Stat. 832) as amended (22 U.S. Code 1750-1939).

b. Regulations. All transfers under the Mutual Security Act will be made in accordance with specific regulations governing administration of this authority. Transfers of consumable supplies that may be spared, including fuel and food items, may be made without reference to the cognizant bureau, command, office, or inventory control point upon written approval of the commanding officer making the transfer. Also, transfers of technical material which require the approval of the cognizant bureau, command, office, or inventory control point to issue for Navy use will be cleared with the appropriate bureau, command, office, or inventory control point prior to transfer. Transfers will be charged to the applicable appropriation, appropriate subhead Assistance to Allied Forces (except Military Assistance Program) (such as .1995, .2295, .2495), open allotment number as indicated in the Navy Comptroller Manual, par. 023304, when authorized, and functional account 98401.

c. Pricing. Pricing of transfers to foreign governments will be made in accordance with par. 25315-8.

d. Transfers to Foreign Governments. When sales to foreign governments are authorized other than those covered in subpars. a and b, it is the policy that United States military foreign personnel property will not be sold directly or indirectly to the Sino-Soviet bloc or Cuba. Adequate safeguards and

controls will be exercised to prevent such sales. The following clause will be included in contracts of sale submitted by foreign governments:

“(name of buyer) certifies that the property covered by this contract is intended for use in (name of country). However, in the event resale or export of any of the property with a value in excess of \$1,000 resale price (or the equivalent in foreign currency at the official rate of exchange) is to be effected, (name of buyer) agrees to obtain the approval of the selling office.”.

Resale or export will be approved only if

1. the name of the proposed purchaser does not appear on the Joint Consolidated List of Debarred, Ineligible and Suspended Contractors;
2. the destinations are not the Sino-Soviet bloc or Cuba;
3. the purchaser agrees to insert in the contract of sale a provision prohibiting exports by purchasers and subpurchasers to destinations named.

If contracts of sale do not include the above clause, the issuing activity will insert the clause and obtain certification prior to the release of the material.

3. TRANSFERS OF FUEL AND LUBRICANTS

a. To Other Government Departments and Foreign Governments. Transfers of fuels and lubricants to other government departments will be made at standard price except for bulk sales of aviation fuels and lubricants to the Air Force. Bulk sales of aviation fuels and lubricants to the Air Force will be priced in accordance with subpar. b. Transfers of fuels and lubricants to foreign governments will be processed in accordance with par. 25320-3 except for issues to countries operating under fuel exchange agreements which will be priced in accordance with par. 25319-3. The authority and policy for transfers of material are stated in subpars. 1 and 2 and par. 25313 and the billing instructions are stated in the Navy Comptroller Manual, Volume 3, Chapter 2. For additional instructions on transfer of aviation fuels or lubricants to the Air Force, see subpar. b.

b. To the Air Force

(1) Into-plane Transfers. Navy and Marine Corps activities transferring aviation fuel or lubricants

to Air Force aircraft will utilize DOD Single Line Item Requisition System Document (Manual) (DD Form 1348) (6 Part). The DD Form 1348 will be prepared in accordance with par. 22416-3a, modified as follows:

1. insert "F" (Air Force) in CCs 30 and 45, as appropriate, vice "N" (Navy);
2. insure that the central office of the Air Force Aviation Stock Fund Division (Detachment 29, Headquarters San Antonio Air Material Command (SACAOP), Cameron Station, Alexandria, Va.), is reflected in CCs 31-35 of all DD Forms 1348 prepared for issues of fuels and lubricants to transient Air Force planes; and that signal code "A" is shown in CC 51 for all such issues.

DD Form 1348 will contain the information specified in par. 22417-1a and b, including:

1. type, model, and serial number of the plane;
2. major command to which the plane is assigned;
3. grade, quantity, Navy standard price, total value, and date the product was issued;
4. name, rank/rate, social security number, of the pilot, copilot, or crew chief.

(2) Bulk Fuel Transfers. Bulk sales of aviation fuels and lubricants will be priced at Navy standard prices.

(3) Billings. Issues of aviation fuels and lubricants to the Air Force will be covered by separate bills for bulk and into-plane deliveries. The DOD Single Line Item Summary Billing Card (DD Form 1348m-2) or DOD Single Line Item Detail Billing Card (DD Form 1348m-3) will be prepared in accordance with the Navy Comptroller Manual, pars. 034540-034543. Bills will be submitted to Detachment 29, Headquarters San Antonio Air Material Command (SACAOP), Cameron Station, Alexandria, Va.

**25315 ASSISTANCE TO MERCHANT SHIPS,
AIRCRAFT, AND FOREIGN NAVAL,
SHIPS**

1. **AUTHORITY FOR NAVAL VESSELS, AND MILITARY AIRCRAFT, OF FOREIGN GOVERNMENTS.** Article 0749-5, Nav. Regs., authorizes the

furnishing of supplies or services to naval vessels and military aircraft of friendly foreign governments subject to the approval of the commanding officer. Any United States naval vessel or activity may furnish on a reimbursable basis without an advance of funds any of the supplies or services listed in subpar. 2 when in the best interest of the United States and subject to modifying instructions, if any, disqualifying a specific country or countries, issued by the Chief of Naval Operations, or subject to instructions of the Commandant of the Marine Corps or the naval technical assistant exercising management control of the activity concerned.

2. **MATERIAL AND SERVICES AUTHORIZED.** The following services and supplies are authorized under the authority in subpar. 1:

1. routine port services in territorial waters of the United States or in waters under United States control, including pilotage tugs, garbage removal, line handling, and utilities, to naval vessels of friendly foreign governments;
2. routine airport services, including landing and take-off assistance, use of runways, parking, and servicing, to military aircraft of friendly foreign governments.
3. miscellaneous supplies, including fuel, subsistence items, spare parts, and general stores, but not including ammunition, to naval vessels and military aircraft of friendly foreign governments (subject to the approval of the cognizant fleet or force commanders when provided overseas);
4. overhauls, repairs, and alterations with necessary equipment and installation required in connection therewith, to naval vessels and military aircraft of friendly foreign governments subject to the approval of the Chief of Naval Operations in each instance.

3. **SERVICES NOT CHARGEABLE.** Routine port and airport services may be furnished at no cost to the foreign government concerned when such services are provided by United States naval personnel and equipment without direct cost to the Navy.

4. **STANDARDIZATION AGREEMENT.** The North Atlantic Treaty Organization standardization and implementation of Standard Procedures for Services Rendered and Supplies Transferred Between

NATO Navies provide for the rendering of services and the sale of supplies similar to those enumerated in subpar. 2 between the naval forces of the North Atlantic Treaty Organization nations. This agreement is effective during wartime and during North Atlantic Treaty Organization exercises in peacetime. Under the terms of this agreement, the forms to be used for demand and issue will be those of the host navy. In addition, a bilingual "NATO Navies" printed form will be completed. Fleet, force, and type commanders are authorized to approve transactions under this agreement, as appropriate.

5. ASSISTANCE TO SHIPS AND AIRCRAFT IN DISTRESS. Article 0925, Navy Regs., authorizes the senior officer present to furnish assistance and repairs to distressed ships and aircraft of the United States and of foreign states at peace with the United States. The Federal Aviation Act of 1958 approved August 23, 1958 (72 Stat. 798) (49 U.S. Code 1507(b)) authorizes the sale to any aircraft of fuel, oil, equipment, supplies, mechanical service, and other assistance by reason of an emergency. Title 10, U.S. Code, Sec. 7228, authorizes the sale of such fuel and other supplies to merchant ships as may be required to meet the necessities of such ships, and as may not otherwise be locally procurable, provided that such ships without such fuel or other emergency supplies to be furnished under this authority are not able to proceed to the nearest port where such fuel and other supplies can be locally procured without endangering the health and comfort of the personnel, the safety of the ship, or the safe condition of the property thereon.

6. DEGAUSSING. Title 10, U.S. Code, Sec. 7230, authorizes the sale of degaussing equipment available from Navy stock, but not readily available commercially, to owners or operators of privately owned merchant ships of United States registry.

7. INVOICES AND ACCOUNTING PROCEDURES. Invoices and accounting procedures will be prepared as prescribed in the Navy Comptroller Manual, pars. 035950-035957.

8. PRICING

a. General. Issues of supplies and material will be made at the standard or locally established price plus accessorial costs and surcharges shown separately as described in subpar. b.

b. Accessorial Costs and Surcharges. Accessorial costs and surcharges will be computed as specified in the Navy Comptroller Manual, pars. 035960-035965, and in the following items:

1. fuels and lubricants will be charged in accordance with par. 25320-3,
2. food items will be charged at the sales price computed in accordance with Food Service Management, par. 6222.

9. TRANSFERS AND SALES Restricted. Sales of fuel and lubricants to foreign vessels of war, merchant vessels, aircraft, morale, welfare, and recreation activities, and private parties are authorized in accordance with pars. 25315-25317. In the United States except Alaska and Hawaii, transfers of fuel and lubricants to other government departments in excess of \$2,500 will not be made without the prior approval of the Navy Petroleum Office. However, occasional or nonrecurring transfers not in excess of \$2,500 at any one time may be made to other government departments without prior approval. In cases of emergency, the senior officer present may direct transfer or sale in excess of the \$2,500 limitations. Transfers in Alaska and Hawaii and outside the United States generally are governed by purchase and consignment policy. There are no restrictions for the issue of fuel and lubricants to the Marine Corps, Military Sealift Command, and Coast Guard.

10. INTERSERVICE AGREEMENT. An inter-service agreement among the Army, Navy, and Air Force provides that the maintenance and operating costs at fuel activities where stocks owned by more than one service are stored will be borne by the service owning or leasing the activity, and that all losses of product in stock will be borne by the service owning the product.

11. STANDARD PRICES. Standard prices for cognizance symbol 9X material are published by the Navy Petroleum Office in Navy Petroleum Office instruction. The price of packaged and drummed fuels and lubricants includes the cost of containers.

25316 SALES TO MORALE, WELFARE, AND RECREATION ACTIVITIES AND PRIVATE PARTIES

1. DEFINITION. Morale, welfare, and recreation activities are those organizations defined in the Navy Comptroller Manual, par. 035850.

2. **AUTHORITY.** The authority for sales to morale, welfare, and recreation activities and certain private parties, as covered by this paragraph, are contained in the following acts:

1. NAVSUP P-486, Volume I, pars, 6250-6255 authorizes the sale of general mess food items to legally constituted organized messes, subject to the approval of the commanding officer and to the instructions in the Naval Supply Systems Command Manual.
2. This paragraph authorizes the sale of government material and services of government facilities and public utilities to Navy exchanges, subject to the commanding officer's approval and the instructions in the Naval Supply Systems Command Manual.
3. This paragraph authorizes the sale of clothing from retail clothing stores, of food items, of Navy Stock Account stock or quartermaster supplies, and of other government material to such persons and under such conditions as are prescribed in the Naval Supply Systems Command Manual, subject to the approval of the commanding officer.
4. Title 10, U.S. Code, Section 7601, authorizes the sale of stores to officers and men and their widows and, subject to statutory limitations, to certain employees and other persons designated by the Secretary of the Navy.
5. TITLE 10, U.S. Code, Section 2481, authorizes the sale of certain utilities and related services to purchasers within or in the vicinity of Navy activities.

3. ACCOUNTING

Morale, Welfare, and Recreation Activities and Air Force). Material sold to morale, welfare, and recreation activities (Army and Air Force) will be issued on a DOD Single Line Item Release/Receipt Document (DD Form 1348-1) as a cash sale. The material will be priced in accordance with subpar. 4 and billing will be accomplished in accordance with the Navy Comptroller Manual Volume 3, Chapter 2.

b. Morale, Welfare, and Recreation Activities (Navy). Material issued to morale, welfare, and recreation activities of the Navy may be issued on either a DD Form 1348-1 or a Requisition and Invoice/Shipping Document (DD Form 1149). When DD Forms 1149 are used, the supply officer will summarize the DD Forms 1149 on one cash sale invoice at the end of the accounting period. The summary invoice will include the document numbers and dates of the applicable DD Forms 1149. The material will be priced in accordance with subpar. 4, and the billing will be accomplished in accordance with the Navy Comptroller Manual, Volume 3, Chapter 2.

c. Private Parties. Except as otherwise provided in par. 25317, material sold to private parties will be issued on an invoice as a cash sale, chargeable to functional account 98021. Pricing will be as prescribed in par. 25315-8. Transfers of material to contractors in the nature of bailments will be made in accordance with par. 25495-2.

4. POLICY FOR SALES TO MORALE, WELFARE, AND RECREATION ACTIVITIES

a. General Policy and Pricing. The sale of certain Navy material to morale, welfare, and recreation activities may be authorized by the commanding officer when the issue of the material will not endanger the stock position of the issuing activity. Material to be transferred will be restricted to ship's store stock, food items, electronics, and general stores items, as needed for group projects, and fuel and lubricants. Transfers will not be made for resale to any individuals except transfers to armed forces exchanges as prescribed in subpar. b, and sales of food items to civilian cafeterias as prescribed in Food Service Management, par. 6221. Transfers of general stores items amounting to more than \$500 on any one invoice also will require approval, in writing, of the Navy Fleet Material Support Office. However, sales of general stores material to private contractors operating Military Sealift Command tankers will be made without monetary limitation (see par. 25325 -2c). Material which is furnished from inventory stocks will be billed at standard or local carrying price. For specific exceptions relating to food items, see Food Service Management, par. 6222.

b. Armed Forces Exchanges

(1) General. Armed forces exchanges will be operated with nonappropriated funds and will be self-sustaining with respect to the purchase of supplies except as indicated in subpars. (2)-(7).

(2) Food Items. Food items may be sold to Navy exchanges in accordance with Food Service Management, par. 6221.

3. Navy Stock Account Items for Use. Supply officers may sell items of general stores material and petroleum products which are required for use by local armed forces exchanges upon approval either by the commandant of the naval district, Chief of Naval Air Training, Commandant of the Marine Corps, Commander Amphibious Training Command, or overseas area commander. Sales of Navy Stock Account material will be at standard or local carrying price.

(4) Electron Tubes. The provisions of subpar. (5) apply to electron tubes. Only commercial type receiving tubes will be sold. No sale will be made if such sale will impair the levels of supply required for maintenance.

(5) Items Intended for Resale. Unless specifically authorized by the Naval Supply Systems Command, items of Navy Stock Account material will not be sold to armed forces exchanges within the United States excluding Alaska except that food items may be sold to Navy and Marine Corps exchanges authorized by the Secretary of the Navy to operate grocery sections. In Alaska and outside the United States the following items may be sold to armed forces exchanges for resale to authorized patrons:

1. gasoline,
2. lubricating and fuel oils,
3. coal,
4. ice,
5. commercial type receiving tubes,
6. food items to Navy and Marine Corps exchange grocery sections. .

Authority to sell additional items to armed forces exchanges for resale to authorized patrons may be requested from the Naval Supply Systems Command.

(6) Utilities. Utilities chargeable to armed forces exchanges will be handled in accordance with the Navy Comptroller Manual, par. 035860.

(7) Pricing. Food items and general stores items authorized for sale to "armed forces exchanges will be sold at standard or local carrying price. Accessorial charges will be added when sales are made to Army or Air Force exchanges in accordance with the Navy Comptroller Manual, pars. 035960-035965. Authorized sales of petroleum products will be made at standard or local carrying price plus any tax levied by state or local authorities.

c. Individuals

(1) Within the United States. In the absence of a commissary, ship's store, or Navy exchange, supply officers of activities within the United States may sell certain items of Navy Stock Account stock to individuals for cash provided the sale of such items has been specifically authorized in advance by the cognizant Naval Supply Systems Command inventory control point after receipt of a request from the activity concerned. Sales of this type will be made only to persons authorized to purchase from commissary stores (see par. 43547). The cognizant Naval Supply Systems Command inventory control point will not authorize the sale of such items as fuel, gasoline, oils, greases, and ice when these and other items are readily procurable in the open market or at exchanges in the immediate vicinity. Instructions relative to the sale of clothing from retail clothing stores to individuals are contained in Volume IV, Chapter 2.

(2) Outside the United States. It is the policy to sell articles required by personnel outside the United States through the commissary, ship's store, or Navy exchange within the immediate vicinity. In the absence of a commissary, ship's store, or Navy exchange, the sale of Navy Stock Account stock for cash to persons authorized to purchase from commissary stores may be authorized by the commanding officer when the issue of the material will not endanger the stock position and the stock is of the type ordinarily carried in a Navy exchange.

(3) Pricing. Sales of petroleum products, when authorized, will be made at the standard or local carrying price plus any tax levied by state or local authorities. Pricing of food items will be in accordance with Food Service Management, par. 6222. All other transfers will be made at standard or local carrying price.

d. Officers' Messes

(1) Food Items. Issues of food items will be made in accordance with Food Service Management, pars. 6221 and 6222.

(2) Utilities. Utilities furnished to commissioned and warrant officers' messes (open) and (closed) when chargeable to nonappropriated funds will be handled in accordance with the Navy Comptroller Manual, par. 035860.

(3) Other Items. Table linen, dishes, glassware, tableware, kitchen utensils, and other general stores housekeeping items may be sold on a cash sale basis to regularly established officers' messes ashore strictly for their own use, subject to the approval of the commandant or commanding officer concerned. Sales of ship's store stock may be made to officer's messes, cigar messes, and to other duly constituted clubs or messes which have been authorized by the commanding officer and whole monthly records are audited.

(4) Pricing. Sales of food items will be made in accordance with Food Service Management, par. 6222. Sales of authorized general stores material will be made at standard or local carrying price. Accessorial charges will be added when sales are made to Army or Air Force officers' messes in accordance with the Navy Comptroller Manual, pars. 035960-035965. Sales of utilities and services will be handled in accordance with the Navy Comptroller Manual, par. 035860.

25317 SPECIAL DEPOSITS

1. GENERAL. Except as provided in subpar. 3, material such as food items, fuel, and similar items issued to depositors to the Working Fund/Security Deposits (Suspense Navy) will be issued on DOD Single Line Item Release/Receipt Document (DD Form 1348-1) and the charge will be made to the Working Fund/Security Deposit, functional account 98004. When special deposits are made by morale, welfare, and recreation activities, the commandant, commanding officer, or other officer in command will furnish to the fiscal and disbursing officers a written statement that the surcharge provisions in the Navy Comptroller Manual, par. 03588043, are not applicable.

2. ADVANCE PAYMENT REQUIRED OF OTHER GOVERNMENT DEPARTMENTS. When, because of past delinquency or for any other reason, cash payment is required before material is shipped or delivered to an activity of another government department other than a military department or

office of the Department of Defense, a special deposit will be required in the same manner as for private parties (see subpar. 1).

3. SPECIAL DEPOSIT ACCOUNTS. Special deposit accounts for certain companies have been established in the Working Fund/Security Deposit which are held by the Navy Accounting and Finance Center (Central Accounting Operations Division), as security deposits to guarantee reimbursement for supplies obtained from and services rendered by naval activities in the performance of flight testing programs and the conducting of official business in connection with work on government contracts (see the Navy Comptroller Manual, par. 032102-1b(3)). A receipt, in duplicate, showing the home station will be obtained from the pilot of the plane for gasoline, oil, or other consumable supplies furnished to these aircraft companies. Billing to the cognizant aircraft companies will be made by the issuing activity and will be priced in accordance with par. 25320-3.

25318 SALES TO SEA SCOUTS

1. AUTHORITY. Title 10, U.S. Code 7541 authorized the Secretary of the Navy to sell to the Boy Scouts of America for the Sea Scouts such non-obsolete material as may be spared at prices representing its fair value to the Navy.

2. POLICY

a. Donations. Donations of surplus property except for contractor inventory material may be made in accordance with the Defense Disposal Manual.

b. Sales. The policy of the Navy Department is to make available for sale, within the authority prescribed in subpar. 1, to the Sea Scouts Department of the Boy Scouts of America, the following material when not surplus and when the quantities requested are reasonable and can be spared without detriment to the Navy Department:

1. articles of uniform clothing,
2. boats,
3. engines,
4. material concerned with the operation of boats,
5. other material which will be for the benefit of the unit as a whole and not for individual members.

3. PROCEDURE

a. General. Requests for material will be submitted on the Boy Scouts of America form, Application for Material From United States Navy. -

b. Sale

(1) Nontechnical Material. Requests for general stores material except consumable supplies will be approved by the regional scout executive. Requests for consumable supplies, such as oil, gasoline, paint, rags, and cordage, will be approved by the local scout executives and one member of the executive board of the local council. Bureau or command approval for sale” of nontechnical material is not required. However, general stores material to be sold, except for hammocks, will be released by the issuing activity only if incidental to the operation of boats. The sale of clothing items will be in accordance with par. 42002-8.

(2) Technical Material. Requests for new or used technical material which is incident to the operation of boats will be approved by the regional scout executive and forwarded to the bureau, command, or Naval Supply Systems Command inventory control point having cognizance over the requested material for approved. Upon approval the request will be forwarded to the designated issuing activity.

4. PRICING. All nonobsolete material except fuel will be sold at standard or local carrying price, plus packing, handling, and shipping charges. Fuel will be priced in accordance with par. 25320. All charges for packing and handling will be accounted for in accordance with the Navy Comptroller Manual, par. 035493. The bill of lading for transportation will be furnished by the Sea Scouts Department of the Boy Scouts of America.

↓ 25319 SALES OF PETROLEUM PRODUCTS TO FOREIGN GOVERNMENTS UNDER FUEL EXCHANGE AGREEMENTS

1. GENERAL. Under the terms of fuel exchange agreements, sales to foreign governments are made under terms of reciprocity y. Specifically, the sale of a given quantity of fuel to a participating country entitles the U.S. Government to buy an equal quantity of fuel from that country’s resources.

2. ACCOUNTING

a. Issues of Fuel Under Exchange Agreements. All issues of fuel under exchange agreements are processed through the Navy Stock Fund (NSF) and

central accountability is maintained at Navy Ships Parts Control Center (SPCC) Mechanicsburg, PA.

b. Issues to Foreign Vessels. Issues to foreign participants are made from available stocks of NSF owned fuels at the selling activity. The value of the product is then Other Supply Office (OSO) transferred to SPCC for accountability. This is accomplished by forwarding, within ten (10) days of issue, a fuel Requisition and Invoice/Shipping Document (DD Form 1149) prepared in accordance with NAVSUP-INST 7300.26. If no DD Form 1149 is available, a message will be sent to SPCC containing the following information: (1) name of issuing activity, (2) name of receiving activity, (3) commodity, (4) date of issue, (5) and quantity as certified by issuing activity.

c. Issues to U.S. Vessels. Receipts by U.S. Navy ships from foreign sources are charged to the O&M, N funds of the purchaser and credited to the NSF with SPCC shown as the authorized accounting activity (AAA). This is accomplished by forwarding to SPCC within ten (10) days of receipt of a fuel DD Form 1149 prepared in accordance with NAVSUP-INST 7300.26, or a message stating the name of the receiving vessel, issuing vessel/activity, commodity, date of transfer, and confirmed amount transferred. (The confirmed amount is agreed upon by both receiving vessel and issuing activity/vessel prior to transfer.) In some instances, a DOD Single Line Item Requisition System Document (DD Form 1348) can be submitted in lieu of the DD Form 1149.

d. SPCC Mechanicsburg, PA. SPCC will, upon receipt of the documentation of issues to foreign ships, process a receipt from OSO (FIR Code F4) in the cognizance symbol 9X FIR and reconcile the receipt to the subsequent summary. Upon receipt of documentation of a U.S. ships receipt of fuel from a foreign source, SPCC will process an issue with reimbursement (FIR Code JI) in the cognizance symbol 9X FIR with a charge to the appropriate operating funds and credit the NSF open allotment for fuels. SPCC will also maintain a running balance by participating country for annual cash settlement of balances due, or otherwise arrange for a fuel replacement in kind within a reasonable period of time, ordinarily no more than nine (9) months beyond the end of the calendar year. This is done by forwarding to each participating foreign government by March 1 of each year a statement of transactions. The foreign government subsequently forwards it back to SPCC as confirmation with any additions

and/or deletions. Upon receipt of the confirmation, SPCC begins processing payments or arranges for replacements in kind.

3. **PRICING.** Sales of fuel to participating countries will be at standard price without administrative or assessorial costs. Standard price to be utilized is the then current price at the end of the calendar year when the status of accounts is determined.

**25320 SALES OF PETROLEUM PRODUCTS
AUTHORIZED BY LAW TO MILITARY
AND CIVILIAN PERSONNEL AND
OTHERS**

1. **TO MILITARY PERSONNEL.** At isolated activities where neither exchanges nor commissary

stores offer petroleum products to authorized patrons, sales of specific items may be made by the supply officer to military personnel upon authorization of the Naval Supply Systems Command. Sales will be made at standard price plus applicable federal, state, and local taxes.

2. **TO CIVILIAN EMPLOYEES OF THE NAVY.** Sales of specific items of petroleum products maybe made by the supply officer to civilian employees of the Navy in the absence of a commercial source of supply upon authorization of the Naval Supply Systems Command. Such sales will be made at standard price plus applicable federal, state, and local taxes.

3. TO ALL OTHERS

a. Standard Sales Procedure

(1) Pricing. Except for sales of aviation fuels to aircraft under the Federal Aviation Act of 1958, approved August 23, 1958 (72 Stat. 798) (49 U.S. Code 1507 (b)), sales of aviation fuels to Navy contract aircraft and sales made in accordance with subpars. 1 and 2, all other sales of specific items of petroleum products, if authorized pursuant to law, will be priced as follows:

1. standard prices; plus
2. actual or estimated accessorial costs incurred by the supplying activity incident to delivery of bulk petroleum, oil, and lubricants (POL); an arbitrary standard percentage charge should not be applied if no costs are incurred by the supplying activity;
3. a 2% administrative charge for overhead on item 1, including friendly foreign navies made as a cash sale under Art. 0749-5 Nav. Regs.; plus
4. applicable federal, state and local taxes as required by par. 25846.

NOTE: Items 1-4 will be listed as separate line items on the Navy Bill (NavCompt Form 252).

(2) Reimbursement. Reimbursement received under subpar. (1), items 1-4 will be deposited as follows:

1. Item 1--reimbursement for standard price will be deposited to the credit of the Navy Stock Fund;
2. Item 2 (if applicable) and item 3--reimbursement to cover estimated or actual cost incident to delivery of bulk petroleum, oil, and lubricants (POL) and reimbursement for overhead at 2% of the standard price of material and handling cost (if applicable) will be deposited to the credit of the appropriation, Operation and Maintenance, Navy, 17_1804;
3. Item 4--reimbursement for federal taxes will be deposited to the credit of 170199, Miscellaneous Taxes not Otherwise Classified. When authorized for collection, the amount representing all taxes except federal tax will be taken up by the disbursing officer for credit to 17X6875, Suspense, Navy, in accordance with the Navy Comptroller Manual, par. 043002. State and local taxes and fees related to sales to charter aircraft, and contract aircraft not under contract to the Department of Defense will not be collected. However, if requested by the state or local authorities concerned, information pertaining to these sales will be furnished.

b. Sales of Aviation Fuel and Oil to Contract, Charter, and Civil Aircraft. Sales of aviation fuel and oil to contract, charter, and civil aircraft will be effected in accordance with the Navy Comptroller Manual, par. 032511.

25321 ISSUES OF GASOLINE TO PRIVATE VEHICLES

Limited issue of Navy Stock Account gasoline is authorized, without reimbursement, to private vehicles upon discharge from government operated ships (see Transportation of Personal Property (NAVSUP P-490), par. 11004-4). This issue normally will not exceed two gallons and will be an amount sufficient to enable the vehicle to proceed to a commercial or Navy exchange gasoline service station. Navy wide issues of gasoline for this purpose are expected to be less than the quantity drained from vehicles at time of loading on board government operated ships (see par. 23204 -5). These issues without reimbursement will be reported on the Financial Inventory Report (NavCompt Form 2154) opposite FIR Code K8. One summary Requisition and Invoice/Shipping Document (DD Form 1149) will be prepared monthly. The original invoice will be forwarded with the financial report.

25322

25323 ISSUES TO MISCELLANEOUS ACTIVITIES

1. NAVAL DISTRICTS

a. Invoicing. Material furnished to district activities will be invoiced as a transfer between supply officers to the designated accountable activity of the district to which the material is being furnished.

b. Consumable Supplies. Issues to district activities other than Naval Reserve units will be charged by the designated accountable activity to the proper five digit functional account in the 44000 or 45000 series.

c. Equipage. Nonexpendable material issued to district activities" within the district will be charged by the designated accountable activity to the proper five digit functional account in the 41000, 43000, or 44000 series. These instructions do not apply to issues of equipage to any ship assigned a unit identification code in the Navy Comptroller Manual, Volume 2, Chapter 5.

2. NAVAL RESERVE

a. Naval Reserve Officers' Training Corps

(1) Consumable Supplies and Expenses of Operation. Consumable supplies and expenses of operation other than direct training costs for units of the Naval Reserve Officers' Training Corps will be charged by the designated accountable activity to the applicable cost code and unit identification code of the Naval Reserve Officers' Training Corps unit involved.

(2) Technical Ordnance Material. Technical ordnance material issued for training will be expended in accordance with the Navy Comptroller Manual, par. 022082-4a.

(3) Equipage. Nonexpendable material issued to units of the Naval Reserve Officers' Training Corps will be charged by the designated accountable activity to the applicable cost code and unit identification code of the Naval Reserve Officers' Training Corps unit involved.

b. Naval Reserve Training Facilities

(1) Consumable Supplies and Expenses of Operation. Consumable supplies and expenses of operation other than direct training costs for naval reserve training centers, naval and Marine Corps reserve training centers, naval reserve electronic facilities, naval reserve electronic stations, and naval reserve units operating independently will be charged by the designated accountable activity to the appropriate functional account in the 44000 or 45000 series and to the unit identification code of the activity. If a unit identification code has not been assigned, the unit identification code of the district headquarters in which the unit is assigned will be used. Direct training costs will be charged to functional account 76771, 76772, or 76773, as appropriate.

(2) Technical Ordnance Material. Technical ordnance material issued for training will be expended in accordance with the Navy Comptroller Manual, par. 022082-4a.

(3) Equipage. Nonexpendable material issued to naval reserve training centers, naval and Marine Corps reserve training centers, naval reserve electronic facilities, naval reserve electronic stations, and naval reserve units operating independently will be charged by the designated accountable ac-

tivity to the appropriate functional account in the 41000, 43000, or 44000 series and to the unit identification code of the activity. If a unit identification code has not been assigned, the unit identification code of the district headquarters in which the unit is assigned will be used.

c. Naval Reserve Training Ships. Issues to ships assigned to training naval reservists will be expended by the issuing activity as prescribed by MILSTRIP/MILSTRAP, par. 05180, Schedule 2.

3. COMMUNICATION AND RADIO STATIONS

a. Composition within Supply Groups. A supply group includes all communication stations and subsidiary units (radio stations) thereof receiving regular supply support from one activity.

b. Issues within Supply Groups. All issues within supply groups will be made on DOD Single Line Item Requisition System Document (DD Form 1348) or Requisition and Invoice/Shipping Document (DD Form 1149). The supply officer of the supporting activity will include issues to the communication or radio station in the regular summaries of station requisitions.

Issues from Activities Outside the Supply Group. Normally, all supplies required by a communication or radio station will be obtained from the activity performing the accounting for the communication station in each naval district, as designated in the Navy Comptroller Manual, par. 025301. If it becomes necessary to obtain material from outside the supply group, such procurement will be made on a requisition prepared by the designated supply activity on the basis of a station requisition received from a communication or radio station. The requisition will indicate that delivery is to be made direct to the communication or radio station involved and invoiced to the activity performing the accounting for the communication station in the same naval district, as prescribed in the Navy Comptroller Manual, par. 025301. In an emergency, issues maybe made by activities other than the activity regularly furnishing supply support, and the accomplishment of these accounting provisions may be performed subsequent to the issues.

4. RECEIVING STATIONS AND NAVAL BARRACKS

a. Operating Material. All issues of material for the operation of receiving stations

and naval barracks are charged to appropriate functional accounts in the 45000 series, including issues made to ships for office or barracks spaces on board ships used in the functional operation of the receiving station or barracks.

b. New and Replacement Equipment. Equipment normally charged to the plant account, when issued to or procured for shore stations, ultimately is charged to functional accounts in the 41000 series for new and replacement equipment.

c. Additional Facilities or Improvements. The cost of additional shore facilities or improvements to existing installations ashore is charged to functionally accounts in the 41000 series.

d. Cost of Maintenance. The cost of maintenance, upkeep, and repair of shore installations is charged to functional accounts in the 47000 series.

e. Installations. When a ship constitutes a part of a receiving station or naval barracks in its functional operation, only the hull work and materials used thereon are charged as ship work, the repairs being charged to functional account 14000 and the alterations to functional account 15000.

5. EXPERIMENT STATIONS. When material which will be consumed in the test or experiment is sent to an experiment station or laboratory, the material will be invoiced to the activity performing the accounting for the experiment station or laboratory. The activity performing the accounting for the experiment station or laboratory will expend the value of the material to the appropriate functional account in the 96000 series.

6. DISPENSARIES AT MARINE CORPS ACTIVITIES. The manner of accounting for issues to dispensaries located at Marine Corps activities depends on whether the accounting for the Marine Corps activity is performed under the 41000-43000 series of functional accounts as listed in the Navy Comptroller Manual, par. 025301-5. Therefore, if the Marine Corps activity has a unit identifier and is listed in the Navy Comptroller Manual, par. 025301-5, with an accountable activity shown in the regular stores column, issues to the dispensary will be invoiced to the accountable activity and charged by that activity to the 41000-43000 series of functional accounts in the same manner as issues to dispensaries located at naval activities. If the Marine Corps activity is listed in the Navy Comptroller Manual, par. 025301-5, without an accountable activity in the regular stores column, issues

to the dispensary will be expended by the issuing activity to the proper Marine Corps appropriation and end use functional account.

7. TO BUREAUS, COMMANDS, AND OFFICES OF THE NAVY DEPARTMENT

a. General. An inventory control point may authorize the shipment of material or equipment for use of or installation in a bureau, command, or office on a permanent basis. In some instances, the items are authorized to be shipped to a bureau, command, or office for special test or disassembly with no intention that the material or equipment be returned to store. It is the responsibility of the inventory control point directing the shipment to provide specific accounting instructions to the supply activities when shipment is directed as outlined in subpar. b and c.

b. Material and Equipment Is sued for Use or Installation on a Permanent Basis. Activities issuing material and equipment for the operation of a bureau, command, or office, such as, for use or installation on a permanent basis, will charge the applicable appropriation and functional account in the 81000-82000 major series (see the Navy Comptroller Manual, par. 024310 and 024311).

c. Material or Equipment Furnished for Test, Research, or Evaluation. When activities furnish material or equipment to bureaus, commands, or offices for test, research, or evaluation which will be consumed, destroyed, or made unusable in the course of these functions, the value of such material or equipment will be charged to the cognizant appropriations, bureau control or project order number, and the appropriate functional account in the 96000 series by the issuing activity. If such material is furnished from the Appropriation Purchases Account, the value of the material will be expended as a cost charge to the appropriation and the appropriate functional account in the 96000 series, by the issuing activity. If the material or equipment will be returned to store after test, research, or evaluation, the accounting instructions in the Navy Comptroller Manual will be followed.

8. MATERIAL AND EQUIPMENT FOR FLEET BALLISTIC MISSILE PROGRAM. Material and all equipment issued from store for the fleet ballistic missile program will be charged by the accountable activity of the ultimate consignee to the appropriate subhead under the Navy Management Fund, and to the allotment and functional account cited on the requisition, transfer invoice, or shipment directive. Functional

accounts are provided in the Navy Comptroller Manual, Volume 2, Chapter 4, and par. 035722, specifically for use on expenditures to this program. Procurement of plant account items for the fleet ballistic missile program will be chargeable direct to this same end use accounting data without being procured initially in a stores account. Plant account items procured or issued from store will be taken up in the plant property account by the recipient activity or its accountable activity as "Other acquisitions", (See the Navy Comptroller Manual, par. 036061-10).

25324 RESTRICTIONS ON ISSUES OF AVIATION MATERIAL TO CERTAIN ACTIVITIES

1. TECHNICAL TRAINING SCHOOLS. Aeronautical supply activities will furnish certain technical aeronautical material required for ground training and instruction purposes to naval air technical training schools and technical and ground training activities under the cognizance of the Chief of Naval Air Training. The aeronautical material furnished will be limited to that approved by Naval Air Systems Command directives applicable to issues for such training purposes. Technical aeronautical material transferred in accordance with this authority will be charged by the issuing activity to final functional account 39801.

2. ISSUES OF MATERIAL UNDER COGNIZANCE SYMBOL R TO NONAVIATION ACTIVITIES. Aviation activities receiving in excess requisitions from nonaviation activities for material under cognizance symbol R will take action as follows:

1. Single requisitions for material not exceeding a total value of \$100 may be issued without the approval of the Navy Aviation Supply Office except for critical items, flight clothing and aviators' personal equipment, and such other items as may be specifically excluded by the Navy Aviation Supply Office.
2. Single requisitions in excess of \$100 and requisitions for items listed in item 1 require prior approval of the Navy Aviation Supply Office before issue.

If material requested is not available locally, the requisition will be forwarded for appropriate action to the Navy Aviation Supply Office. When reimbursement to aviation appropriations is required, an appropriation adjustment on expenditure from store will be made in accordance with the Navy Comptroller Manual, par. 032502.

3. AIR FORCE AND ARMY ON EMERGENCY BASIS. Naval aviation supply activities are authorized to issue aeronautical

material to the Army and the Air Force to meet emergency requirements. If the items requested are not available at the naval aviation supply activity receiving the request, the material will be obtained through established emergency procedure. Each issue except those made on an exchange basis will be covered as described in par. 25348. Aeronautical material issued to the Air Force on an exchange basis will be handled in the same manner as issues and receipts to and from Navy aircraft. An allowance of 80% credit will be given for exchanged items in a repairable condition. Twenty percent of the value of the issued item will be expended as a cash sale in accordance with instructions in par. 25348. Eighty percent of the value of the item will be issued to the Department of Defense without reimbursement. The damaged item will be taken up as a receipt from the Department of Defense without reimbursement. This material will be processed in a manner similar to material returned by Navy activities which is processed as "Material turned in to Store without charge".

4. COMMERCIAL AIRLINES. Issues of aeronautical material will be made to commercial firms operating under Navy contracts in the same manner as to other squadrons of the naval aeronautical organization. Activities making such issues will forward two copies of each invoice to the appropriate Navy cost inspector or to the Navy Regional Finance Center, Washington, D. C., in accordance with invoicing instructions stated in the contract. Material issued to these commercial air lines will be charged to the appropriation, Operation and Maintenance, Navy, appropriate aeronautical program subheads, and will be expended by the issuing activity to functional account 39101. Such issues will be made only to air lines operating under Navy contracts.

25325 ISSUES TO MILITARY SEALIFT COMMAND

1. MILITARY SEALIFT COMMAND COMMANDS

a. Issues of Plant Equipment Except Radiac Equipment to Military Sealift Command Commands. Issues of plant equipment from store to Military Sealift Command commands will be charged as follows:

1. plant equipment items costing \$1,000 or more will be charged to accounting data cited by the Naval Sea Systems Command upon authorizing the issue, including the appropriate functional account in the 41000 series;

2. other items, including those meeting the criteria for plant equipment costing less than \$1,000, will be charged to the Navy Industrial Fund, subhead .3302, functional account 45000. (These issues will be charged directly to the Naval Industrial Fund (NIF) on a Report of Fund Authorization Charges (NavCompt Form 2074).)

b. Issues of Radiac Equipment to Military Sealift Command Commands. Issues of Appropriation Purchase Account (APA) radiac equipment to Military Sealift Command commands, regardless of cost and whether or not take-up in the plant property account is required, will be charged to the accounting data, including the appropriate functional account, cited by the Naval Electronic Systems Command/Navy Ships Parts Control Center upon authorizing the issue. Navy Stock Account (NSA) issues of radiac equipment will be processed in accordance with subpar. 2a(1).

2. MILITARY SEALIFT COMMAND SHIPS

a. Civil Service Manned Ships

(1) Expenditures from Store. Expenditures of Navy Stock Account material will be processed on NavCompt Form 2074 with direct charge to Navy Industrial Fund, subhead .3302. When Navy Stock Account material for which standard unit prices have been established is requisitioned by Military Sealift Command ships and purchase action is necessary and authorized, purchase will be effected under the Navy Stock Fund. Receipt control procedures will be in accordance with procedures in par. 23083 and the material will be issued at the standard price. Expenditure of Appropriation purchase Account material will be processed as a cash sale on Standard Form 1080 under functional account 98021.

(2) Distribution of Itemized Invoices When Summary Money Value Invoices are used to Support Billings. In order to permit reconciliation of accounts receivable without the necessity of providing and processing the many copies of itemized invoices normally required, a summary money value invoice may be used. The summary invoices are prepared and distributed as indicated in par. 25348. The use of the summary invoice will limit requirements for itemized invoices to the original and eight copies. The original and one copy will be utilized to support the original Voucher for Transfer Between Appropriations and/or Funds (Standard Form 1080), one copy to the financial inventory control section or the issue control branch, one copy for proof of delivery copy, two packing copies, two consignee delivery copies, and one copy for retention in the accounts receivable files.

b. Commissioned Ships Except Tankers. For expenditure of clothing, see Volume IV; for ship's store stock, see Ship's Store Afloat; and for food items, see Food Service Management. Expenditures of all other material will be handled in the manner prescribed in subpar. a.

c. Private Contractors Operating Military Sealift Command Tankers (USNS)

(1) General. private contractors operating Military Sealift Command tankers (USNS) under the administrative control of Military Sealift Command do so on a cost-plus-a-fixed-fee basis. Therefore, they qualify to be charged at the same rates prescribed for morale, welfare, and recreation activities (see the Navy Comptroller Manual, pars. 035850-035853). Material requisitioned for use aboard a Military Sealift Command contract operated tanker by a Navy contractor will be expended on a cash sale basis. No advance payment or special deposit will be required, the material will be furnished prior to payment, and the bills will be forwarded to the operator or the ship's agent for payment.

(2) Requisitioning. Normally, the contract operators will requisition the material on a DOD Single Line Item Requisition System Document (DD Form 1348) or a Requisition and Invoice/Shipping Document (DD Form 149). However, the request for material may be prepared on an authenticated document by the contractor. The requisitions will be processed in the same manner as any other requisition.

(3) Delivery procedure and Transportation Cost. Material will be shipped by parcel post, Navy Conveyance (Transportation Control and Movement Document (DD Form 1384)), commercial means (U.S. Government Bill of Lading (Standard Form 1103)), or picked up by the contractor's representative, as applicable. The cost of transportation will be borne by the Navy.

3. SPECIAL MATERIAL. Physical custody of Military Sealift Command special material (cognizance symbol ØX) will be maintained by the supply officer of the applicable naval activity. All stock records for such material will be marked "NIF-MSC special material". All documents covering material authorized by the Military Sealift Command for acceptance as cognizance symbol ØX material will be appropriately labelled "NIF-MSC special material" and will be recorded in the appropriate stock records in the usual manner. Accounting documents covering transactions of this material will not be forwarded to the accounting division for further processing. Military Sealift Command special material is sued by

supply support activities to Military Sealift Command activities ashore and afloat will be covered by a priced memorandum invoice. Two copies of each invoice, plus packing copies, will accompany the material delivered. The original and one copy of each invoice will be forwarded to, the Military Sealift Command activity (Attention: Comptroller) which receives the material or which has administrative control of the ship receiving the material.

▼ 4. EXPENDABLE AMMUNITION

SUPPORT FOR MILITARY SEALIFT COMMAND NUCLEUS FLEET. Protection of MSC ships against hostile action is ultimately the responsibility of the Fleets' Commanders in Chief. Although Military Sealift Command is an Industrial Funded Activity, equipment and material necessary for this purpose is considered a military operational requirement as opposed to an industrial function. Therefore, Ammunition Support (small arms, demolition and pyrotechnic material) for the Military Sealift Command Nucleus Fleet will be provided on a non-reimbursable basis. (See the Navy Comptroller Manual, par. 074703-3g, item 3.) To ensure adequate ammunition assets are on hand to support requirements, the Military Sealift Command will provide the Chief of Naval Operations an estimated annual requirement for three years at each annual CNO call for Non-Combat Expenditure Requirements. This requirement should represent the total annual requirement (e.g. allowance, training, other consumption, etc.) to be withdrawn from Navy stocks. The Conventional Ammunition Integrated Management System (CAIMS) will be utilized for the reporting and visibility of assets.

25326 ISSUES TO SUBMARINES AND SUBMARINE RESCUE VESSELS

1. GENERAL. The instructions in subpars. 2 and 3 are applicable to any activity furnishing supply support to submarines and submarine rescue vessels.

2. REQUISITIONS. DoD Single Line Item Release/Receipt Document (DD Form 1348-1) will be accepted as request documents from submarines and submarine rescue vessels. Submarines and submarine rescue vessels may prepare these requisitions in pencil provided all necessary accounting information is shown. The signed original requisition and copies, as appropriate, will be presented to the supply department for action.

3. ACCOUNTING. Material issued to submarines and submarine rescue vessels will be expended in accordance with par. 25090. Expenditure may be made on the basis of the station requisition or, depending on the local procedures devised, invoices may be prepared. Navy Stock Account expenditures will be summarized in accordance with the Navy Comptroller Manual, par. 032508.

25327 MISCELLANEOUS ISSUES FOR NAVAL AND NONNAVAL SHIPS

1. ISSUES OF SHIPBOARD STANDARD BOATS TO NAVAL SHORE ACTIVITIES. The cost of standard boats of shipboard type issued from stocks in store to naval shore activities for station or district use will be issued and expended to accounting data cited on the Naval Sea-Systems Command documents authorizing the issue.

2 . MISCELLANEOUS SHIP COSTS, NAVAL SHIPS

a. Supplies for Personnel of Ships Under Construction. Pre-commissioning supply support, not associated with the commissioning ceremony (e.g., consumable supplies, gasoline and oil for vehicles, telephone services, and tunnel and bridge tolls) required by personnel assigned to ships still under construction and not commissioned will be expended by the assigned outfit supply activity (OSA) to the applicable outfit supply allotment held by the outfit supply activity.

b. Salvage and Salvage Services. The cost of salvage and salvage services except issues to and other costs of Navy operated salvage ships will be charged to the appropriation, Operation and Maintenance, Navy, as authorized by the Naval Sea System Command.

3. MISCELLANEOUS SHIPS, SERVICE CRAFT, LANDING CRAFT, AIR RESCUE SHIPS, AND BOATS ASSIGNED SHORE ACTIVITIES

a. Equipage. Except for first outfits, the cost of equipage for miscellaneous ships, service craft, landing craft, air rescue ships and boats assigned to shore activities, including those assigned to district commands, will be charged to the appropriate cost account and the unit identification code of the shore activity when the issues to the naval ships and craft are financed from funds applicable to the maintenance and operation of the shore activity. The cost of equipage issuing to these ships and craft, when financed from other than

station maintenance and operation funds, will be charged to the appropriation, Operation and Maintenance, Navy, appropriate subhead, and operating budget as indicated by the fund code. The individual unit identification code for ships and craft having unit identification codes will be shown on expenditure reports and public vouchers. For ships and craft without individual unit identification codes the unit identification code of the station or district command to which the ship or craft is assigned will be used. Material supplied by an activity other than the accountable activity will be expended by the supplying activity to end use accounting data.

b. Consumable Supplies. Except for first outfits, the cost of consumable supplies and sundry services for miscellaneous ships, service craft, landing craft, air rescue ships, and boats assigned to shore activities, including those assigned to district commands, will be charged to the appropriate cost account and the unit identification code of the shore activity when the issues and services to the naval ships and craft are financed from funds applicable to the maintenance and operation of the shore activity. The cost of consumable supplies and sundry services provided these ships and craft, when financed from other than station maintenance and operation funds, will be charged to the appropriation, Operation and Maintenance, Navy, appropriate subhead, and operating budget as indicated by the fund code. The individual unit identification code, for ships and craft having unit identification codes will be

shown on expenditure reports and public vouchers. For ships and craft without individual unit identification codes the unit identification code of the station or district command to which the ship or craft is assigned will be used. Material supplied by an activity other than the accountable activity will be expended by the supplying activity to end use accounting data.

c. Minor Repairs and Recurring or Preventive Maintenance. Minor repairs and recurring or preventive maintenance which crews ordinarily are capable of performing to miscellaneous ships, service craft, landing craft, and boats assigned to shore activities, including those assigned to district commands will be charged to the appropriate cost account and the unit identification code of the shore activity when the repairs and maintenance are financed from funds applicable to the maintenance and operation of the shore activity. The cost of repairs and maintenance, when financed from other than station maintenance and operation funds, will be charged to the appropriation, Operation and Maintenance, Navy, appropriate subhead, and operating budget as indicated by the fund code. The individual unit identification code for ships and craft having unit identification codes will be shown on expenditure reports and public vouchers. For ships and craft without individual unit identification codes, the unit identification code of the station or district command to which the ship or craft is assigned will be used.



25329 WORK REQUESTS BY SHIPS

5-74

1. SCOPE OF WORK REQUESTS. Ships made available at a naval shipyard or naval base for the performance of work by the yard force may submit work requests for accomplishment of such work, chargeable to allotments granted directly to the naval shipyard, or naval base by the bureau, command, or office concerned or by the type commander under which the ship is operating. The furnishing, dressing, finishing, or manufacture of material issued to a ship for installation by the ship's force may be charged to the type commander's overhaul and restricted availability funds only when provided for in a repair request approved by the type commander. The value of ship's equipage installed by the yard force under a work request submitted by the ship will not be charged to the allotment of a shipyard or base but will be expended on an invoice as a charge to the type commander's allotment, if appropriate, and a copy will be furnished to the ship for establishment of property custody records. Therefore, equipage which is to be installed through work requests will be procured independently of the installation work.

2. REQUISITION FOR WORK

a. General. When articles to be installed by the ship's force are required, such articles may be procured by the submission of a ship's requisition, under the appropriation and type commander's allotment chargeable, to the supply department of the yard.

b. Blanket Requisition for Work. A blanket requisition approved by the commanding officer may be submitted on Requisition and

Invoice/Shipping Document (DD Form 1149) for the manufacture of minor and miscellaneous items for installation of the ship's force and for other miscellaneous services. Material required to be dressed or finished prior to issue may be included in the blanket requisition. The estimated cost will be shown on the requisition. The commanding officer will request specific items under this requisition by the submission of memorandum request to the industrial department. Each request will bear the requisition number and the number of the job order prepared by the yard to cover the blanket requisition. Only one appropriation will be finally chargeable for material procured under one blanket requisition. Charges for such work will be summarized to the Navy regional finance center performing the accounting by a Report of Fund Authorization Charges (NavCompt Form 2074).

c. Individual Requests for Work. When the use of a blanket requisition for work is not desired by the commanding officer, the ship's supply officer may submit an individual not in excess requisition over his own signature direct to the supply officer of an ashore station requesting that specific items be manufactured or specified work performed for the ship. Charges will be handled in the same manner as prescribed in subpar. b.

25330 CONSTRUCTION BATTALIONS

Issues to construction battalions will be expended as a charge to the appropriation, Operation and Maintenance, Navy, applicable Naval Facilities Engineering Command subheads, bureau control number, and appropriate end use functional account in the 87300 series in the same manner as prescribed for issues and summarizations in par. 25090 except for the following:

1. retail clothing store items,
2. ordnance material,
3. material to those construction battalions operating as a component of an advanced base or naval activity which will be charged to functional account 87201.

If the activity performing the allotment accounting is other than the construction battalion receiving the material, all summaries of charges will be sent to the activity performing the allotment accounting.

25331 CARGO HANDLING BATTALIONS

Issues to cargo handling battalions will be expended, as a charge to the appropriation, Operation and Maintenance, Navy, subhead .2310, battalion operating allotment, and end use functional accounts in the same manner as prescribed for issues to ships in par. 25090. Summarization of charges will be in accordance with the procedures prescribed for the summarization of charges to ships as indicated in par. 25090.

25332 ISSUES OF COGNIZANCE SYMBOL N MATERIAL TO THE NATIONAL SECURITY AGENCY

Normally, issues of cognizance symbol N material to the National Security Agency will be made only by the Naval Supply Center, Norfolk. When material to fill a requirement is not available at the Naval Supply Center, Norfolk, the request document will be processed in accordance with par. 22209-2b. As required, the Navy Ships Parts Control Center will request another reporting activity for cognizance symbol N material to provide material to satisfy the requirement. All issues to the National Security Agency will be processed as follows:

1. invoice issues to the National Security Agency in accordance with par. 25348-1;
2. prepare Voucher for Transfers Between Appropriations and/or Funds (Standard Form 1080) for billing purposes in accordance with the Navy Comptroller Manual, par. 032504-3;
3. identify all shipments and associated documents as follows:

Ship to: Transportation Officer
Sub-Transportation Office
9808 Savage Road
Fort George G. Meade,
Md.

Mark for: Supply Officer; Requisition No. _____

Section II: INVOICING PROCEDURES

25345 GENERAL

The procedures in this paragraph provide for the invoicing with local reconciliation of all cash sales to other government departments, other military departments, offices of the Department of Defense, private

parties, and morale, welfare, and recreation activities of the Navy, Army, and Air Force. Cash sales to foreign governments and foreign vessels of war also will be invoiced with local reconciliation except when foreign governments do not pay locally, in which case the material will be invoiced to the

→ Navy Regional Finance Center, Washington, D. C., in accordance with the Navy Comptroller Manual, par. 035965- 1b. When material furnished to activities financed under the Navy Industrial Fund in accordance with the procedures prescribed in pars. 25057 and 25325 is issued on a cash sale basis, it will be invoiced with local reconciliation.

25346 INVOICING NONREIMBURSABLE ITEMS

Material carried in the Appropriation Purchases Account when issued to other military departments and offices of the Department of Defense and other government departments which may receive transfers of material from the Navy without reimbursement will be charged to functional account 99120, 99121, or 99123, as appropriate, and as a cost charge to 17X1995, Nonreimbursable Issues of Appropriation Purchases Account Material. The expenditure will be shown on the Financial Inventory Report (NavCompt Form 2 154) opposite the appropriate caption. When Appropriation Purchases Account material is furnished to other military departments and offices of the Department of Defense as reimbursable issues, and charges therefor are subsequently waived in accordance with par. 25314- 1a, the invoices involved will be corrected in ink, providing the corrections are made within the same accounting period in which the original charges were made and processed as nonreimbursable issues. Nonreimbursable issues of material from the Navy Stock Account are prohibited. One corrected copy of the invoice will be furnished to the financial inventory section for adjustment of the Financial Inventory Ledger (NavCompt Form 2153) and ultimate transmittal to the accounting division for correction of the stores accounting copies of the invoices. When ink corrections cannot be made within the same accounting period in which the original charges were made, credit cash sales invoices will be prepared and processed to cancel the original charges and new debit invoices prepared and processed to cancel the original charges and new debit invoices prepared and processed to reflect charges to the applicable appropriations, subheads, functional account, and allotments, if appropriate.

25347

25348 INVOICING REIMBURSABLE ISSUES

1. MATERIAL CARRIED IN A STORES ACCOUNT

a. General. Material issued or transferred from the Navy Stock Account or Appropriation Purchases Account to other than naval activ-

ities on a reimbursable basis will be charged and invoiced as a cash sale. Excess scrap, salvage, and surplus property (property disposal account material) when transferred or sold to other than naval activities will be accounted for in accordance with the Defense Disposal Manual. Cash sales will be effected in the account in which the material is carried except that when cognizance symbols D, G, M, Q, U, W, and Y material in the Appropriation Purchases Account (other than such material carried in mobilization reserve stocks) is involved, the value thereof will be transferred to the Navy Stock Account without appropriation adjustment and the cash sale effected in the Navy Stock Account.

b. Invoice Preparation. Invoice documents will be prepared in accordance with par. 25073 and will contain complete accounting information as follows:

1. the name and unit identification code of the naval activity issuing the material;
2. the invoice number;
3. the name of the activity to which is sued (that is, if a bailment, the name and address of the contractor involved; if to the Army or the Air Force, the name and complete address of the Army or Air Force installation which will be billed, etc.);
4. the authority (that is, if issued on a bailment, the contract number; if another government department other than Army or Air Force, the requisition number or order number; if Army or Air Force, the bureau or command requisition citing the Military Interdepartmental Purchase Request (DD Form 448) or the DOD Single Line Item Requisition System Document (DD Form 1348) order number if directly requisitioned by an Army or Air Force installation; also the shipment order, if any);
5. the stores account from which issued (that is, the functional account identifying the stores account from which the material is being expended);
6. functional account 98021 as chargeable;
7. the appropriation or fund and subhead chargeable (statistical) (in the case of cash sales from the Navy Stock Account, the Navy Stock Fund; in the case of cash sales from the Appropriation Purchases Account, the appropriation or fund and subhead which finances the procurement of material for stock will be shown; when the material sold was carried in mobilization reserve stocks, the appropriation and subhead cited by the bureau, command, or office having management of such mobilization reserve stocks);
8. the date of the invoice;

9. bill of lading number unless delivery was not effected by carrier;
10. date of shipment;
11. manner of shipment;
12. class and cognizance symbol;
13. description of the items, including classification;
14. when furnished an Army or Air Force installation, the Army or Air Force funds and accounting data cited as chargeable;
15. accessorial costs (handling, transportation, etc.), when applicable, will be indicated separately in order that the amount of the accessorial cost will not be reflected in the issue from store (that is, the amount of the accessorial cost will not be included in the expenditure to cash sales on the stores return balance sheet);
16. appropriation creditable (in the case of cash sales from the Navy Stock Account, the Navy Stock Fund; in the case of the Appropriation Purchases Account, generally, the appropriation which finances the procurement of material for stock with the exception that proceeds from cash sales of material carried in mobilization reserve stocks will be credited to the appropriation as directed by the bureau, command, or office having management of such mobilization reserve stocks);
17. receipt of the material upon delivery (when receipts cannot be obtained, a certification that shipment has been made and complete identification of the consignee will be made on the invoice).

c. Forwarding Invoices to Disbursing Officer Upon Collection of Proceeds. When proceeds of the cash sales are received, the proceeds, with the following supporting documents, will be forwarded to the disbursing officer:

1. sales to Army and Air Force installations, one copy of the invoice with four copies of the Voucher for Transfers Between Appropriations and/or Funds (Standard Form 1080);
2. sales to other government departments, one copy of the invoice with four copies of Standard Form 1080;
3. sales to private parties by bailment and to morale, welfare, and recreation activities, three copies of the invoice with three copies of each Navy Bill (NavCompt Form 252);
4. sales to others not covered by item 1, 2, or 3, four copies.

d. Action When Billing is Waived. When charges to other military departments and offices of the Department of Defense are waived, the invoices concerned will be corrected in accordance with par. 25346.

2. PRIVATE PARTIES. Cash sales of Navy material to private parties are subject to the requirement that payment be made in advance in the manner prescribed in par. 25317-1 or concurrently with the delivery of the material. The term "concurrently with delivery of the material" will be construed to mean that payment must be in the hands of the supply officer at the time of the release of the material from Navy custody. Containers returned to contractors in accordance with pars. 23088.2, 25820.5, and 25829-5 will be invoiced in accordance with instructions in subpar. 1.

3. PREPARATION OF SUMMARY INVOICES. In order to permit reconciliation of accounts receivable without the necessity of providing and processing the many copies of itemized invoices normally required, a summary money value invoice maybe used. When summary invoices are used, one summary invoice will be prepared for each Standard Form 1080 and will contain all necessary accounting data, the number of each itemized invoice, and total amount of each itemized invoice. When billing was not accomplished because of the small value of the months sales, more than one summary invoice may be used when billing is effected. The summary invoice total money value will be shown on the Standard Form 1080. The original and seven copies of the summary invoice will be prepared and distributed as follows:

1. original to accompany Standard Form 1080 to the office billed;
2. three copies retained by the preparing activity for submission with the check and Standard Form 1080 to the collecting disbursing officer;
3. three copies for submission to the stores section of the accounting division;
4. one copy for retention in the accounts receivable files.

The use of the summary money value invoice will limit requirements for itemized invoices to the original and eight copies; the original and one copy to accompany the original Standard Form 1080, one copy for the files of the stores section of the accounting division, one copy for the class accountability section or the issue control branch, one proof of delivery copy, one packing copy, two consignee delivery copies, and one copy for retention in the accounts receivable files.

4. ADJUSTMENTS AND CORRECTIONS. Corrections of accounts receivable, such as those caused by an expenditure that should have been made without reimbursement, returned material, and adjustment of billing prices, will be made by preparing a credit expenditure invoice to expenditure account 98021, in the amount of the adjustment. This invoice will refer to the authority for the adjustment and to the previous

invoices related to the adjustment and will be processed in the same manner as the original cash sale invoice. Except in the case of returned material, the amount of the adjustment then will be correctly expended with a charge to the appropriate functional account.

5. MATERIAL ISSUED ON JOB ORDERS. Material to be used on job orders for work for other government departments, financed by an advance deposit from the requisitioning agency, will be issued on a Requisition and Invoice/Shipping Document (DD Form 1149) or on a DD Form 1348, as applicable, as a charge to the Working Fund/Security Deposit and functional account 98004. Also, material used on job orders for work for foreign governments financed by advance deposits will be issued on a station requisition as a charge to

functional account 98004. Material supplied to other government departments or foreign governments financed by advance payment from the requisitioning agency or foreign government, but not used in connection with work done, such as food items, fuel, electricity, or similar items, will be issued on an invoice as a charge to the Working Fund/Security Deposit and functional account 98004. Under either condition, material ordinarily will be issued from the Navy Stock Account. When issue is made from the Appropriation Purchases Account, regardless of whether issued on a station requisition or invoice, it will be on a cash sale basis from the stores account concerned in accordance with the Navy Comptroller Manual, par. 035807-2c. See the Navy Comptroller Manual, par. 035801, when work is performed for another government department without an advance deposit.

Section III BILLING AND COLLECTION PROCEDURES

25360 BILLING PRINCIPLES

1. GENERAL

a. Responsibility of Supply Officer and Reporting Requirements (Exos Report 7250-12). The supply officer is responsible for enforcing collections for material released by him on a cash sale basis. The supply officer will furnish any necessary information to the fiscal office for the preparation of bills. When a bill is returned by the activity billed with payment denied, the bill will be forwarded to the supply officer for appropriate action; that is, either for cancellation or for contact between the supply officer and the activity billed. Letter reports on delinquent bills prepared in accordance with subpars. 3, 4, and 5 will be submitted by the supply officer.

b. Responsibility of Fiscal Office. Bills to and collections from Marine Corps activities, activities financed under the Navy Industrial Fund, other government departments, other military departments and offices of the Department of Defense, and morale, welfare, and recreation activities (see the Navy Comptroller Manual, par. 035851) for stores furnished, will be made by the fiscal office. Also, the fiscal office will make collection from foreign governments and foreign vessels of war when such entities are authorized to make payment locally. Issues of aviation fuels and lubricants to the Air Force will be covered by separate bills for bulk and into-plane deliveries.

2. FOREIGN GOVERNMENTS AND FOREIGN VESSELS OF WAR. Charges for material furnished to foreign governments or

foreign vessels of war will be invoiced on a DOD Single Line Item Release/Receipt Document (DD Form 1348-1) and receipted copies will be obtained. When an activity is unable to obtain receipted invoices, the requisition number, bill of lading number, or any other shipping information will be indicated on the invoice. A cash settlement for the material furnished will be made locally if the foreign government chooses to pay cash. Otherwise, an unaddressed Navy Bill (NavCompt Form 252) supported by two receipted or information copies of the DD Form 1348-1 will be forwarded to the Navy Regional Finance Center, Washington, D.C. In order that the activity maintaining the accounts receivable records may be informed of collection of accounts, the NavCompt Form 252 will show the complete accounting classification to be credited upon collection.

3. MARINE CORPS ACTIVITIES, INDUSTRIAL-COMMERCIAL ACTIVITIES, AND OTHER GOVERNMENT DEPARTMENTS. Bills submitted to Marine Corps activities, industrial-commercial activities, other military departments, offices of the Department of Defense, and other government departments should be paid within 30 days after date of billing. If a bill remains unpaid 30 days after date of the bill, the fiscal officer will so inform the supply officer with a copy of the bill. Pursuant to the responsibilities outlined in subpar. 1a, the supply officer will take aggressive action to obtain payment. If, after such action has been taken, a bill remains unpaid 150 days following the date of the original bill, the bill will be considered delinquent. The supply officer will forward a letter report with a copy of the bill, supporting invoices; and copies of all

correspondence initiated in an attempt to effect collection to the Navy Regional Finance Center (Property Accounting Department), Washington, D.C. The letter report will identify clearly the original transaction by invoice and bill number. If, after a delinquent account has been reported to the Navy Regional Finance Center (Property Accounting Department), Washington, D.C. The letter report will identify clearly the original transaction by invoice and bill number. If, after a delinquent account has been reported to the Navy Regional Finance Center (Property Accounting Department), Washington, D. C., payment is received or for any reason the account is canceled, the Navy Regional Finance Center (Property Accounting Department), Washington, D. C., will be notified immediately. Continued followup action on all delinquent accounts will remain the responsibility of the issuing activity until payment is received. Activities of other government departments, other than military departments and offices of the Department of Defense, which are habitually delinquent in the settlement of their accounts, will be informed by the supply officer that unless delinquent accounts are settled immediately and future bills are settled promptly, cash payment will be required in advance of further shipment or delivery. A copy of such notification will be forwarded to the Navy Regional Finance Center (Property Accounting Department), Washington, D.C.

4. MORALE, WELFARE, AND RECREATION ACTIVITIES. Stores issued to morale, welfare, and recreation activities of the Army, Navy, and Air Force will be on the basis of one bill per month for all stores issued during the month. Bills submitted to morale, welfare, and recreation activities of the Navy should be paid within 30 days after date of billing. If bills remain unpaid 60 days after date of original bill, the procedure in subpar. 3 will be followed.

‘5. PRIVATE PARTIES

a. Issue of Navy Material. Bills for material furnished to private parties will be paid in advance in the manner prescribed in par. 25317-1 or concurrently with delivery of the material. The term "concurrently with delivery of the material" will be construed to mean that payment must be in the hands of the supply officer at the time of the release of the material from Navy custody.

b. Returned Containers. Bills submitted to contractors for containers returned within the specified time limit should be paid within 30 days after the date of the bill. When a bill remains unpaid 30 days after the date of the bill, the instructions for followup action outlined in subpar. 3 will apply.

6. BILLING ON BASIS OF CONSTRUCTIVE DELIVERY. A Voucher for Transfers Between Appropriations and/or Funds (Standard Form 1080) will be prepared for billing components or agencies of the Department of Defense without signed receipts when shipment has been made by commercial or military carrier, in accordance with the Navy Comptroller Manual, par. 032504-4.

25361 COLLECTIONS

All checks and cash received will be turned over daily to the disbursing officer for deposit. When reimbursement from appropriated funds is involved, three copies of the Voucher for Transfers Between Appropriations and/or Funds (Standard Form 1080) with an additional copy for each appropriation credited other than the Navy Stock Fund, and one copy of each applicable cash sales invoice also will be turned over to the disbursing officer. When reimbursement from nonappropriated funds is involved, three copies of each applicable cash sales invoice and three copies of the Navy Bill (Nav-Compt Form 252) if used also will be turned over to the disbursing officer.

25362 REFUNDS

When refunds of monies collected for cash sales are required, credit DOD Single Line Item Release Receipt Documents (DD Forms 1348-1) will be prepared in accordance with par. 25348-4. Each credit invoice will show the following charges:

1. the same appropriation or funds which were credited with the monies at the time of collection;
2. the open allotment specified in the Navy Comptroller Manual, par. 023304, or bureau control number 77777 if an open allotment is not available;
3. functional account 98021.

These credit invoices may be applied as reductions of current billings to the customer involving the same appropriation creditable. When a credit invoice cannot be processed through a current billing, the supply officer will forward four copies of the invoice to the disbursing officer. Refund will be effected by the disbursing officer in accordance with the Navy Comptroller Manual, par. 043138-2a.

25363 REFUND ON ADVANCE
PAYMENT

When refund is in order after receipt of advance payment as stated in par. 25317, such refund will be made in accordance with the Navy Comptroller Manual, par. 043002-7 (see also Navy Comptroller Manual, par. 043104-3).

Section IV: RECORDS

25381 DECOMMISSIONED ACTIVITIES

When an activity is decommissioned with out standing accounts receivable remaining on the ledger, the commandant. (district supply officer of the district will designate the activity to take up the outstanding accounts and to assume responsibility for the

collection and reporting thereof. The bureau, systems command, or office having management control of the decommissioned activity and the Navy regional finance center normally serving the decommissioned activity will be advised promptly of the activity designated to handle outstanding accounts.

PART C: GOVERNMENT FURNISHED PROPERTY
Section I: DEFINITIONS AND RESPONSIBILITIES

25480 DEFINITIONS

1. **GENERAL.** The instructions contained in this part relate to the furnishing of government property to Navy contractors or prospective Navy contractors. Navy property may be released only under the following conditions:

1. when the government furnished property clause is incorporated in the provisions of the contract,
2. upon processing of Prime Contractor Request for Navy Furnished Material (NavExos Form 3493).

Definitions of terms applicable to the furnishing of property to contractors and prospective contractors are set forth in subpars. 2-11.

2. **PROPERTY.** The term "property" includes all physical property both real and personal. For the purpose of these instructions, it consists of and is treated under three separate categories: material, special tooling, and industrial facilities.

3. **MATERIAL.** The term "material" means such property as may be incorporated into or attached to the end products to be delivered to the Navy or which may be consumed or expended in the performance of a contract. It includes, but is not limited to, raw and processed material, parts, components, assemblies, expendable small tools, and consumable supplies,

4. **SPECIAL TOOLING.** The term "special tooling" means property of such specialized nature that its use, without substantial modification or alteration, is limited to the production of particular supplies or the performance of the particular services for which acquired or furnished. It includes, but is not limited to, jigs, dies, fixtures, molds, patterns, special taps, special gauges, and special test equipment.

5. **INDUSTRIAL FACILITIES.** The term "industrial facilities" means plant property other than material and special tooling of use for the performance of a contract or sub-contract for supplies or services. It includes, but is not limited to, real property and rights therein, including building, structures, and improvements, machinery, equipment, furniture, vehicles, and machine tools and other production equipment.

6. **PROSPECTIVE NAVY CONTRACTORS.** The term "prospective Navy contractors" applies to private parties interested in bid-

ding on Navy contracts. For purposes of these instructions, government property may be furnished to prospective contractors as sample items to be used in conjunction with the submission of bids, when the invitation for bids, proposal, or quotation provides for the furnishing of such property.

7. **GOVERNMENT FURNISHED PROPERTY CLAUSE.** The term "government furnished property clause" as used herein pertains to those standard clauses used in contracts that permit the Navy to furnish property for use in performance of the contract.

8. **SHIPBUILDING CONTRACTS.** The term "shipbuilding contracts" applies to those contracts for the construction or acquisition of Navy vessels.

9. **CONTRACTS FOR REPAIR, ALTERATION, CONVERSION, OR POST DELIVERY WORK ON NAVY SHIPS.** The term "contracts for repair, alteration, conversion, or post delivery work" applies to repairs, alterations, conversion, or post delivery work performed on Navy ships which have already been constructed or acquired.

10. **FACILITIES CONTRACTS.** The term "facilities contracts" means contracts under which industrial facilities are provided by the Government for use in connection with the performance of a separate contract or contracts for supplies or services.

11. **CONSTRUCTION CONTRACTS.** The term "construction contracts" applies to military construction contracts administered by the Naval Facilities Engineering Command and chargeable to functional accounts in the 48200 series.

25481 RESPONSIBILITIES

In order that proper accountability for property may be effected, it will be the responsibility of the contract administration officer and the bureau, command, office, or Naval Supply Systems Command inventory control point having cognizance over the property to be issued, to furnish the supply activity which is to process the property request with appropriate accounting information, referencing the appropriate paragraph in this section. When applicable, the appropriation, subhead, functional account, and allotment or project order chargeable will be cited on the request document furnished to the supply activity. Property not carried in any stores account

will be taken up in the appropriate stores account in accordance with the guidance in NAVSUPINST 4440.157 prior to issue. Requests for issues of government property for use by prospective contractors will be processed on Prime Contractor Request for Navy furnished Material (NavExos Form 3493). Bureaus, commands, offices, or Naval Supply Systems Command inventory control points will request issue of government property for use on contracts containing the government furnished property clauses on a Requisition and Invoice/Shipping Document (DD Form 1149), DOD Single Line Item Requi-

sition System Document (DD Form 1348), or by letter request. A copy of the requests will be forwarded to the contract administration officer having cognizance over the contractor receiving the property, as listed in the Directory of Offices, Material Inspection Service, USN. Property will be issued to Navy contractors only when contracts contain appropriate authorizing clauses, or when the bailment procedure prescribed in par. 25495-2 is followed. Upon receipt of properly authorized requests, the supply activity will issue the property in accordance with the instructions in pars. 25495-25498.

Section II: GOVERNMENT. FURNISHED MATERIAL AND PROPERTY

25495 GOVERNMENT FURNISHED MATERIAL

1. NAVY CONTRACTS CONTAINING GOVERNMENT FURNISHED PROPERTY CLAUSE

a. Shipbuilding Contracts for the Construction or Acquisition of Ships. Navy Stock Account and reimbursable Appropriation Purchases Account material transferred to a shipbuilder will be expended as a charge to the appropriate appropriation, subhead, bureau control number, functional account, and ship concerned. If such material is furnished from the Appropriation Purchases Account without reimbursement, the value will be expended as a cost charge to the appropriate accounting data including the ship concerned. If the bureau control number chargeable is accounted for by an activity other than the activity making the issue, the value of the material will be invoiced in the stores account in which carried as a transfer between supply officers to the activity accountable for the bureau control number involved and the invoice annotated with the appropriation data ultimately chargeable.

b. Contracts for Repair, Alteration, or Conversion Work on Ships. Navy Stock Account and reimbursable Appropriation Purchases Account material transferred to a private shipyard under contracts for repair, alteration, or conversion work will be expended as a charge to the appropriate appropriation, subhead, bureau control number, functional account, and ship concerned. Material issues will be processed as prescribed in subpar. a.

c. Facilities Contracts. Upon issue of material under facilities contracts, the supply officer will invoice the value the reef to the account able activity, as determined from the Navy Comptroller Manual, par. 025307-3, in the account in which carried as a transfer

between supply officers, The invoice will contain the following statement:

"This material was supplied as government furnished to facilitate contract (number), unit identification code (number in the 90000 series)".

d. Construction Contracts Chargeable to Functional Accounts in the 48200 Series. Navy Stock Account and Appropriation Purchases Account material issued under construction contracts, chargeable to the functional account in the 48200 series, will be charged to the applicable accounting data cited on the construction contract. Copies of all material expenditure documents will be forwarded to the authorization accounting activity for the bureau control number charged.

e. Contracts for Research and Development. When material is issued under a contract for research and development from the Navy Stock Account or the Appropriation Purchases Account with reimbursement and will be consumed, destroyed, or made unusable during the course of research or development, the value of such material will be charged to the cognizant appropriation, subhead, bureau control number, and functional account in the 96000 series. If such material is furnished from the Appropriation Purchases Account without reimbursement, the value will be expended to the appropriate appropriation, subhead, and functional account in the 96000 series. If the allotment or subauthorization chargeable is accounted for by an activity other than the activity making the issue, the value of the material will be invoiced as a transfer between supply officers to the activity accounting for the allotment or subauthorization concerned.

f. Other Contracts Chargeable to End Use Functional Accounts. When material is furnished under other contracts chargeable to end use functional accounts from the Navy Stock Account or the Appropriation Purchases

Account with reimbursement, the value thereof will be expended to the appropriate appropriation, subhead, bureau control number, and end use functional account. If such material is furnished from the Appropriation Purchases Account without reimbursement, the value will be expended as a cost charge to the cognizant appropriation, subhead, and end use functional account. If the bureau control number chargeable is accounted for by an activity other, than the activity making the issue, the value of the material will be invoiced in the stores accounts in which carried as a transfer between supply officers to the activity accountable for the bureau control number involved. The invoices effecting the transfer will be annotated with the appropriation data ultimately chargeable.

g. Contracts Chargeable to Functional Accounts in the 50000 or 9000 Series

(1) General. The Navy Aviation Supply Office or the Navy Ships Parts Control Center, as applicable, is accountable for government furnished material supplied from stock or from contributing contracts to Navy contractors and for stores account material shipped to contractors for repair, alteration, or overhaul whether or not government furnished material is involved except for those items shipped under local activity contracts for repair, alteration, overhaul, or renovation.

(2) Stock Contracts Chargeable to Functional Accounts in the 50000 Series

(a) Issues of Government Furnished Material not Carried in the Same Stores Account as the Contract. Issues of government furnished material requiring an account transfer will be expended as a cash sale. A Voucher for Transfers Between Appropriations and/or Funds (Standard Form 1080) will be prepared by the issuing activity charging the accounting data designated in the supply directive, including the appropriate functional account in the 50000 series, and indicating the Navy Aviation Supply Office or the Navy Ships Parts Control Center, as applicable, as the abstractable activity. The Standard Form 1080 will be submitted to the originator of the supply directive for certification of the accounting data. An advance copy of the Standard Form 1080 and the DD Form 1348-1 will be furnished to the Navy Aviation Supply Office or the Navy Ships Parts Control Center, as applicable, to effect a receipt from purchase in the receiving stores account. The Standard Form 1080 effecting the account transfer will contain:

1. reference to the bureau, command, office, or Naval Supply Systems Command inventory control point supply directive;
2. the company to which shipped;
3. the location of the company;

4. the statement "This property was shipped as government furnished material in connection with contract (number)".

Accounting instructions for the return to the naval activity of the finished products under the contract are contained in par. 23202.

(b) Issues of Government Furnished Material Carried in the Same Stores Account as the Contract. Issues of government furnished material to a contractor for use on a contract chargeable to the same stores account in the 50000 series of functional accounts, except Appropriation Purchases Account material requiring an appropriation adjustment, will be invoiced to the Navy Aviation Supply Office or the Navy Ships Parts Control Center, as applicable, as a transfer between supply officers. The transfer will be made in the account, class, and cognizance symbol in which carried. This invoice will contain the same information as that required on the Standard Form 1080 prescribed in subpar. (a). Appropriation Purchases Account material requiring reimbursement as directed by the responsible bureau, command, office, or Naval Supply Systems Command inventory control point will be accounted for in accordance with subpar. (a) as a cash sale.

(3) Repair Contracts Chargeable to Functional Accounts in the 69000 Series

(a) Basic Material to be Returned Under Contract. When stores account material is shipped to a contractor for repair, renovation, alteration, or overhaul under a local contract, such material will not be expended from the stores account. Material issued from stock for use and incorporation in the material to be repaired, altered, or overhauled will be expended as a charge to the applicable functional account in the 69000 series.

(b) Material Subject to Redistribution. When stores account material other than material covered in subpar. (a) is shipped to a contractor for repair, alteration, renovation, or overhaul, the value of such material, will be invoiced to the Navy Aviation Supply Office or the Navy Ships Parts Control Center, as applicable, as a transfer between supply officers. The invoice effecting the transfer between supply officers will contain:

1. contract (number) under which material is to be repaired;
2. reference to the bureau, command, office or Naval Supply Systems Command inventory control point supply directive or letter directing shipment;
3. the company to which shipped;
4. the location of the company.

Accounting instructions for the return to the naval activity of the finished products under the contract are contained in par. 23202.

(4) Shortages, overages, and Non-repairable Items. When notification is received from the contract administration officer that the shipment was received short or over the quantity stated on DOD Single Line Item Release/Receipt Document (DD Form 1348-1), a credit or debit DD Form 1348-1 for the shortage or overage will be issued to the Navy Aviation Supply Office or Navy Ships Parts Control Center, as applicable. If notification is received from the contract administration officer that an item received at the contractors plant is nonrepairable or was damaged in shipment, a credit DD Form 1348-1 covering the nonrepairable or damaged items will be issued to the Navy Aviation Supply Office or Navy Ships Parts Control Center, as applicable, and the items will be accounted for on the basis of the survey report from the contract administration officer. Contract administration officers will furnish the Navy Aviation Supply Office or Navy Ships Parts Control Center, as applicable, with copies of all notifications and survey reports.

2. BAILMENT OF GOVERNMENT FURNISHED PROPERTY

a. General. In many cases, the interest of the Government requires the furnishing of government material to shipwork and ship equipment contractors, the relatively low value of such material making it impracticable to use authorized government furnished property clauses because of the administrative burden involved. (Refer to Navy Procurement Directives.) In such cases, transfer of government material, in the nature of bailments, may be effected without using authorized government furnished property clauses, subject to the following conditions:

1. Title to all material furnished will remain in the Government.
2. The total dollar value of all the line items, including any government accessorial and administrative charges, furnished under the authority of this paragraph in connection with one Prime Contractor Request for Government Furnished Material (NAVSUP Form 1366) will not exceed \$5,000 as computed in subpar. b(3)(d); transactions will not be split for the purpose of circumventing this dollar limitation.
3. The material furnished is to be incorporated into the end product being procured under the contract or is to be consumed directly in the performance of such contract (see subpar. c).
4. The contractor warrants that the material cannot be obtained from commercial sources in sufficient time to meet the delivery requirements of the contract.

5. The contractor agrees to pay to the Government either the standard price of the material as published in the Management List Navy (MLN) plus packing, crating, and handling (e.g., accelerated standard price) and administrative charges (shipment to be made collect on commercial bill of lading) or the price at which the material would be available to the contractor, f.o.b. destination, if obtained from commercial sources, whichever is the greater of the two. If shipment is made by parcel post, include charges. NOTE: Material shall not be requisitioned for a contractor by the Contractor Administration Office (CAO) if the contractor has been turned down on a request made in accordance with the above for identical material. In such cases, the matter shall be referred to the project or acquisition manager for resolution.

b. Procedure

(1) Action by the Contract Administration Office (CAO). The cognizant CAO will furnish the contractor with five copies of prime Contractor Request for Government Furnished Material (NavSup Form 1366) stocked only at the Naval Publications and Forms Center which will be executed by the contractor who will forward the original and three copies to the CAO. The CAO will request the contractor to provide prices of three vendors and date contacted. If three vendors cannot be provided, state reason why; also promised delivery date or reason for nonavailability. On requests for items valued \$500 or less, only one quotation is required, unless the contractor or the CAO suspects or has information to indicate that the price quoted may not be reasonable. In processing the NavSup Form 1366, the CAO will perform the following:

1. Review to insure that the contractor has prepared the form properly. If not properly prepared, return to contractor with explanation.
2. Insert the command. office, or inventory control point if not provided by the contractor.
3. Verify the NSN/material cognizance symbol if provided by the contractor (if not provided by the contractor, utilize technical manuals or other media to determine the NSN/material cognizance symbol and insert in column 5).
4. Obtain the accelerated standard price (e.g., standard price, plus packing, crating, and handling (3.5%), and administrative (2.0%) charges) of the material from the cognizant inventory control point and insert in column 8.
5. Insert commercial unit price in column 14. ↑

- ↓ 6. Insert the total commercial price in column 15.
7. Compare column 8 with column 15 on an item by item basis. The greater of the two will be the billing price. After determining the billing price on an item by item basis, add the billing prices established above. If the sum of the determined billing prices exceeds \$5,000, return the contractor's request and advise accordingly.
- ↑ 8. If the sum of the determined billing prices is \$5,000. or less, assign the proper Uniform Material Movement and Issue Priority System (UMMIPS) priority designator, and date in the block titled first endorsement.
9. Prepare a DOD Single Line Item Requisition System Document (DD Form 1348).
10. Subsequent to verification, forward the original and two copies of the form, accompanied with the DD Form 1348, to the command, office, or inventory control point for approval. (If not approved, the disapproved form will be returned to the contractor.)

(2) Action by the Navy Command, Office, or Inventory Control Point. The cognizant Navy command, office, or inventory control point may authorize the release of the requested material honoring all DD Forms 1348 according to the UMMIPS priority designator. Requests that do not contain the commercial unit price of the material and the UMMIPS priority designator, will be returned to the CAO for these data or, if urgent, obtained by telephone. If approved, sign and date in the block titled first endorsement. One copy of the approved NavSup Form 1366, accompanied with a supply directive/referral order (if not processed mechanically) will be forwarded to the activity designated to supply the material. Material requests not approved by the cognizant inventory manager will be returned to the contractor via the CAO.

(3) Action by the Designated Navy Supply Activity.

a) Receipt of an Approved NavSup Form 1366. For locally controlled material (i.e., Navy retail), upon receipt of an approved NavSup Form 1366, the supply activity will compute the standard price of material, plus packing, crating, and handling and administrative charges specified in NAVCOMPT Manual, par. 035964 and compare with the value of the commercial unit price in column 9 (extended) if not computed by the CAO. Requests that do not contain the commercial unit price and the UMMIPS priority designator will be returned to the CAO for these data, or if urgent obtained by telephone. The

greater of the two amounts will be inserted in column 10 and will represent the amount of the contractor's payment required to cover the transfer. (The DD Form 1348 prepared by the CAO will accompany the NavSup Form 1366.) The amount in column 10 must be transmitted to the billing unit for preparation of the billing document. For Defense Logistics Agency material stored at SSD/DSSP Norfolk, Oakland, Charleston, Puget Sound, and San Diego, the bill will be paid by the supply center and billed to the contractor. NOTE: NavSup Forms 1366 that have not been approved will be returned to the CAO for signature in the first endorsement block indicating approval.

(b) Inventory Control Point Managed Under Emergency Conditions. For inventory control point managed material under emergency conditions (Priorities 1-3 and bearer requests of Priorities 5 or 7), the NavSup Form 1366 will be processed as in subpar. (a) unless required material is assigned an issue restriction code. (The DD Form 1348 (if more than one requisition is received, insure the NSNs are different, and do not circumvent the \$5,000 limitation of bailment procedures) will accompany the NavSup Form 1366.) The NavSup Form 1366 will have been furnished the inventory manager by the CAO. If material cannot be issued due to a restriction code limitation not having been removed during the issue authorization process, authority to issue may be provided by telephone to the supply activity with subsequent written confirmation, or if material is not in stock or not carried, the DD Form 1348 and the NavSup Form 1366 will be referred to the appropriate inventory control point, without change to insure continued supply operations. NOTE: NavSup Forms 1366 that have not been approved will be returned to the CAO for signature in the first endorsement block indicating approval. 4

(c) Inventory Control Point Managed Other than Under Emergency Condition. For inventory control point managed material (other than under emergency conditions), the inventory control point will compute the accelerated standard price, on the NavSup Form 1366, compare with commercial unit price in column 9, and insert the greater of the two amounts in column 10 if not already computed by the CAO. When all conditions have been met, the supplying activity will receive directive/referral order from the inventory control point. These directive/referral orders will cite in the remarks block the name and address of the contractor, commercial unit price, and total commercial price if greater than the accelerated standard price, mode of shipment, and name of activity retaining a certified copy of the NavSup Form 1366. NOTE: NavSup Forms 1366

that have not been approved will be returned to the CAO for signature in the first endorsement block indicating approval.

(d) Billings. Billings will be rendered by the issuing activity or the appropriate inventory control point if the issuing activity is operating under centralized accounting and billing procedures immediately upon shipment of material on Navy Bill (NavCompt Form 252). For each request (NavSup Form 1366), contractors will be billed on an item by item basis, either the standard price of the material as published in the Management List Navy, plus packing, crating, and handling and administrative charges or the lowest price at which the material would be available to the contractor, fob destination, if obtained from commercial sources, whichever is the greater. The Navy supplying activity will ship the requested material on a collect commercial bill of lading to the contractor. If shipment is made by parcel post, include charges. Payment is required within 30 days of billing. If bills remain unpaid 90 days after date of original bill, the procedures in par. 25360-3 will be followed except that the letter report will be submitted to the Office of the Comptroller (Director of Banking and Contract Financing) for collection action in accordance with NAVCOMPT Manual, pars. 032504-2f(1) and 043202. If advance payment is made, the instructions contained in par. 25317 will be followed.

(4) Prevention of Abuses. Care will be taken by cognizant CAO, commands, offices, inventory control points, and Navy supply activities to restrict all transfers under the authority of these procedures to that stock which is not obtainable from commercial sources in sufficient time to meet delivery requirements under Navy contractors.

c. Returnable Material. Upon completion or termination of the contract, any usable government material furnished and not incorporated in an end-product allocated to a Navy contract, and not consumed in the process of manufacturing, will be returned to the Government and reimbursement for the value of such material will be paid to the contractor. The cost of return of such material will be paid by the contractor.

d. Accounting

(1) General. Government material furnished to the contractor will be accounted for in the same manner as cash sales in par. 25348, or in the event of advance deposits, as issues under the Working Fund/Security Deposit procedures. Expenditure

documents supporting issues under Working Fund/Security Deposit will be prepared in accordance with par. 25317.

(2) Appropriation Reimbursements. The proceeds on the amount of the material standard price will be credited to the Navy Stock Fund or cognizant command, office, or inventory control point appropriation and the proceeds for the packing, crating, and handling and administrative charges will be credited to the appropriation, Operations and Maintenance, Navy.

(3) Miscellaneous Receipts. Navy proceeds received above the accelerated standard price will be credited to the receipt account 172499, Other Fees and Charges for Miscellaneous Service.

(4) Packing, Crating, and Handling. Packing, crating, and handling and administrative charges (specified in NAVCOMPT Manual, par. 035964) will be included as separate entries on the invoice.

(5) Surcharge. There will be no other surcharge applied to the cost of the material transferred.

(6) DD Form 1348-1. On DD Form 1348-1, prepared to support the transfer of government material under these procedures, the block "To" will show "Transfer to _____ contractor, contract No. _____ for cash."

3. DEFECTIVE GOVERNMENT FURNISHED COGNIZANCE SYMBOL H ELECTRON TUBES OR SEMI-CONDUCTOR DEVICES THAT PERFORM SIMILAR FUNCTIONS

a. Contractor. Electron tubes or semiconductor devices that perform similar functions determined by the contractor to be defective upon receipt may be returned by the contractor for credit or exchange when authorized by the Navy Ships Parts Control Center. The contractor may contact the Navy Ships Parts Control Center within 60 days of receipt, through the cognizant contract administrator, Naval Air Systems Command representative, or other government contract representative, explaining the reasons for desiring to return the electron tubes or semi-conductor devices. The contract administrator, Naval Air Systems Command representative, or other government contract representative will certify that the defects were not the responsibility of the contractor.

The Navy Ships Parts Control Center authorization will be referenced on all shipping documents. The electron tubes or semi-conductor devices will be returned to the stock points for cognizance symbol H material indicated in the Navy Ships Parts Control Center letter of authorization.

b. Stock Point for Cognizance Symbol H Material. Upon receipt from contractors of returned cognizance symbol H electron tubes or semi-conductor devices authorized by the Navy Ships Parts Control Center, the stock point for cognizance symbol H material will take the action prescribed in the Navy Ships Parts Control Center letter of authorization covering the specific shipment of electron tubes or semi-conductor devices. When the Navy Ships Parts Control Center authorizes the issuance of the new tubes or semi-conductor devices prior to receipt of the defective tubes or semi-conductor devices, local procedures may be employed for issuing the new tubes or semi-conductor devices and a suspense file maintained by the issuing activity to insure receipt of the defective tubes or semi-conductor devices as soon as possible.

4. EXCHANGE OF DEFECTIVE COGNIZANCE SYMBOL H ELECTRON TUBES OR SEMI-CONDUCTOR DEVICES TRANSFERRED TO CONTRACTORS IN THE NATURE OF BAILMENTS. Exchange of cognizance symbol H electron tubes or semi-conductor devices sold to contractors or furnished in the nature of bailments which are defective upon receipt will be handled in accordance with subpar. 3. Tubes or semi-conductor devices which conform to the specification under which procured and which are determined by contractors to be not suitable for the application intended by the contract will be returned for credit only and will not be exchanged.

25496 GOVERNMENT FURNISHED SPECIAL TOOLING

1. NAVY CONTRACTS CONTAINING GOVERNMENT FURNISHED PROPERTY CLAUSE. All special tooling furnished to Navy contractors under Navy contracts containing government furnished property clause will be expended at the time of issue to the appropriate appropriation, subhead, bureau control number, if applicable, and an end use functional account in the 44000 series.

2. PROSPECTIVE NAVY CONTRACTORS. Property will be issued to prospective Navy contractors upon receipt of the executed copy of Request for Navy Property (NavSup Form 125) and the required cash or bond at the

book value of the property (see the Navy Comptroller Manual, par. 043142- 1). When property is issued, charge will be made to the appropriation, subhead, and bureau control number, when applicable, designated by the bureau, command, office, or Headquarters U.S. Marine Corps, concerned with the procurement, and functional account 98080. The supply officer will maintain a file of NavSup Forms 125 on which issues have been made to insure return of property or forfeiture of cash or bond. This file will be reviewed periodically and appropriate action will be taken when necessary.

25497 GOVERNMENT FURNISHED EQUIPMENT

1. CONTRACTS CONTAINING THE GOVERNMENT FURNISHED PROPERTY CLAUSE. Contracts providing the furnishing of government owned equipment and minor property will contain a government property clause in accordance with the Armed Services Procurement Regulation, Section 13. Accounting instructions for government furnished equipment and minor property are provided in the Navy Comptroller Manual, pars. 035602, 035608, 035615, 035616, and 035617.

2. PROSPECTIVE NAVY CONTRACTORS. Property will be issued to prospective Navy contractors in accordance with the instructions in par. 25496-2.

25498 GOVERNMENT PROPERTY RELEASED TO CONTRACTORS FOR OVERHAUL, REPAIR, OR ALTERATION

Except for property carried under cognizance symbols S and F, property requiring overhaul, repair, or alteration will be shipped to the contractor's plant only upon order of the cognizant bureau, command, office, or Naval Supply Systems Command inventory control point. Property carried under cognizance symbols S and F may be shipped to the contractor's plant at the discretion of stocking activities when the work has been approved by the Naval Sea Systems Command and funds for the purpose are available. Accounting instructions for the issue and return of such material are contained in pars. 23202 and 25495.

25499 GOVERNMENT OWNED AMMUNITION CONTAINERS FURNISHED TO CONTRACTORS FOR FILLING AND SHIPPING PURPOSES

Government owned ammunition containers generally are furnished to contractors for shipping purposes and will not be accounted

for as items which are incorporated into an end product. Accordingly, ammunition containers carried in the Appropriation Purchases Account under cognizance symbol J furnished to contractors as government furnished material (for filling and shipping) will be expended by the issuing activity in accordance with the Navy Comptroller Manual, par. 022082-4a item 7. Ammunition containers as defined herein include boxes, pallets, and adapters, tanks, cans, marker containers, propellant grain containers, and so forth.

25500 ISSUES OF GOVERNMENT FURNISHED MATERIAL FOR INCLUSION IN END ITEM ORDERED BY THE NAVAL SEA SYSTEMS COMMAND ON MILITARY INTER-DEPARTMENTAL PURCHASE REQUESTS

The Naval Sea Systems Command (Ordnance) may issue a shipping order for material to be issued from stock to an Army manufacturing or assembly plant or to an Air Force installation for inclusion in an end item previously ordered on a Military Interdepartmental Purchase Request (DD Form 448). Information as to the military interdepartmental purchase request applicable to the issue will be included on the shipping request. Shipping documents and invoices prepared in connection with the transaction will show the applicable military interdepartmental purchase request number. The shipping order will contain a statement to the effect that the issue is government furnished material and that issues will be invoiced to the Navy Aviation Supply Office or Navy Ships Parts Control Center, as applicable, in the Appropriation Purchases Account as a transfer between Account material or any other stores account material which may be issued for this purpose will be transferred to the Appropriation Purchases Account in accordance with current procedures, with charge to an allotment cited by the Naval Sea Systems Command and then invoiced to the Navy Aviation Supply Office or Navy Ships Parts Control Center, as applicable, in the Appropriation Purchases Account as a transfer between supply officers. Transfers will be accomplished in the regular class and cognizance symbol.

Section III: CANNIBALIZATION AND DIVERSIONS OF GOVERNMENT AND CONTRACTOR FURNISHED MATERIAL

25515 PRIORITY SUPPORT

It is the Department of Defense policy that, as a general rule, priority support will be given deployed equipment in prefer-

25501 SHIPMENT ORDER FOR GOVERNMENT PROPERTY UPON TRANSFER OR ISSUE FOR USE

1. SHIPMENT ORDERS AND RELATED INVOICES. Shipment orders and related invoices issued for government property, as defined in par. 25480, will include, as appropriate, the additional information in subpars, 2 and 3.

2. CONTRACT DATA. The government contract number will be indicated which provides for contractor accountability of the government owned property being furnished. When this is a facilities contract and such property is furnished for performance of a supply or service type contract, the statement "Furnished for performance under (applicable supply or service contract number)" will be shown. The Navy contracting office to be contacted for property disposition instructions pursuant to excess declarations and termination or completion of the supply or service contract involved also will be indicated.

3. PROPERTY USE DATA. Property use data as appropriate will be specified as follows:

1. name of item including Navy identification number if available or shown on item; also national stock number if assigned, manufacturer's model designator, or serial number;
2. items furnished as an end item (not for production use or test purposes) of the supply or service contract for overhaul, repair, or model type evaluation;
3. items furnished for incorporation in end product or subject to destruction pursuant to research and development;
4. items furnished as special tooling (see par. 25480-4) or special test equipment;
5. items furnished for performance of services, production operations, maintenance, or test;
6. transfer for storage, sale, scrap, or transfer to another-government agency or military department (permanently with financial and management responsibility).

ence to the support of new equipment in the process of production. Requiring inventory managers sometimes resort to cannibalization or diversion of government furnished or contractor furnished material actions

when high priority operational requirements cannot be satisfied from supply system stocks, repair progress, or on a timely basis from material under procurement.

25516 DEFINITIONS OF ABBREVIATIONS AND TERMS

As used herein, abbreviations and terms are defined as follows:

<u>Abbreviation or term</u>	<u>Definition</u>
Candidate for cannibalization	A requisition which has been referred to a type commander for possible fleet supply action and for which supply action could not be effected from within the fleet.
Cannibalization	The removal of serviceable and repairable material and components from one item of nonexcess equipment for installation in another item of equipment to restore the latter to a serviceable condition. (Replacement items may not be required in the cannibalization equipment since it may be restored at a later date or retained as is with proper re-identification.)
Cannibalization costs	Reimbursable costs for industrial efforts expended, e.g., removing, cleaning, calibration, testing, packing, etc., to prepare the required item for shipment to and immediate use by the requisitioner. Costs include contractor, vendor, shipbuilder costs resulting from claims for delay and disruption, when applicable. Specifically excluded are the value of either the required item or the replacement item and all transportation costs.
CFM	Contractor furnished material, i.e., material obtained by a contractor for use in fabricating an end item.
Diversion of GFM/CFM	The removal of an item of government furnished material/contractor furnished material from a contractor's plant to satisfy an immediate requirement. A replacement item must be provided. Specifically excluded are internal reallocation actions such as removal of an item of government and contractor furnished material from one contractor's plant to another contractor's plant or Navy activity for use on a more urgent production contract.
Diversion costs	Reimbursable costs of packing and contractor, vendor, shipbuilder costs resulting from claims for delays and disruption. Specifically excluded are the value of either the required item or the replacement item and all transportation costs.
GFM	Government furnished material, i.e., material furnished to a contractor by the Government for use in fabricating an end item.
Integrated manager items	Items assigned to the Defense Supply Agency, General Services Administration, Army, or Air Force for support of all military services users, i.e., all items bearing cognizance symbol 9 in the Navy Management Data List.

<u>Abbreviation or term</u>	<u>Definition</u>
Navy inventory managers	Those organizational elements charged with the responsibility for inventory management of Navy managed items. Navy inventory managers include the systems commands (Naval Air Systems Command, Naval Supply Systems Command, Naval Electronic Systems Command, Naval Ship Systems Command), Naval Facilities Engineering Command, Naval Training Equipment Center, Naval Mine Engineering Facility, Strategic Systems Projects Office, and the inventory control points under the primary support of the Naval Supply Systems Command (Navy Aviation Supply Office, Navy Ships Parts Control Center).
Parent unit	System, equipment, component, assembly which contains the required item.
Potential candidate for cannibalization or diversion	A requisition which cannot be satisfied within the uniform material movement and issue priority system (UMMIPS) or other reasonable time frames by any of the ordinary means of supply action and which is referred to a type commander for possible fleet supply action.
Program support ICP	The inventory control point responsible for total material support responsibility for a weapons system or equipment through its life cycle and preparation of equipment allowance and repair parts lists within the policy limitations of the procuring command. These lists will record the repair parts, irrespective of cognizance, determined necessary to the support of the equipment.
Project manager	Chief of Naval Material designated project managers under command of the Chief of Naval Material.
Replacement item	Accessory, repair part, sub-assembly, etc., which was not initially available through normal supply actions but which subsequently is supplied and must be replaced in order to restore a cannibalized parent unit to its former physical and operational condition or be utilized in a production contract.
Restoration costs	Reimbursement costs for industrial efforts expended, e.g., replacing, calibration, testing, etc., to restore a parent unit to the physical and operational condition which existed prior to cannibalization. Costs also include contractor, vendor, shipbuilder costs resulting from claims for delay and disruption when applicable. Specifically excluded are the value of the replacement item and all transportation costs.
Supply support ICP	The inventory control point responsible for the supply demand review of the required item, as determined from the cognizance symbol of that item.

**25517 POLICIES AND PROCEDURES
FOR CANNIBALIZATION AND
DIVERSIONS OF GOVERNMENT
FURNISHED MATERIAL AND
CONTRACTOR FURNISHED
MATERIAL**

1. GENERAL. Cannibalization or diversion of government furnished material and contractor furnished material, although it may satisfy an immediate critical requirement, could have a significant adverse effect on the overall logistics support posture of the Navy. For this reason, these actions will be considered as a last resort only.

2. POLICY

a. Assets in Short Supply. When assets are in short supply cannibalization or diversion of government furnished material and contractor furnished material is authorized in the following precedence:

1. U.S. combat, combat ready, and direct combat support forces deployed outside the United States with an issue priority designator Ø2 or higher, without qualification;
2. in the United States, activities and units authorized to as sign an issue priority designator Ø2 or higher, if a production line or work stoppage will not be caused;
3. retail requirements with issue priority designator Ø2 or higher needed within seven days by a maintenance activity to correct a casualty report (CASREPT) or not operationally ready supply (NORS) deficiency to the extent practicable and feasible;
4. other end use requirements with issue priority designators Ø2-Ø7 to the extent practicable and feasible.

b. Alternate Actions. When the schedule estimated availability date reflected in supply status is considered unsatisfactory to meet a high priority operational requirement, the cognizant type commander first will attempt to satisfy the requirement through alternate actions such as a loan or internal cannibalization. Inventory managers will not attempt cannibalization action or diversion of government and contractor furnished material until requested by the type commander after the alternate sources have been exhausted.

c. Industrial and Diversion Costs. Except when insignificant, industrial and diversion costs associated with cannibalization and the diversion of government and contractor furnished material will be borne by the inventory manager responsible for managing the item.

3. POTENTIAL CANDIDATES

a. Manual Processing of Requisitions. Within the policy constraint outlined in subpar. 2, requisitions which warrant manual processing because positive supply action cannot be taken mechanically may be considered potential candidates for cannibalization or diversion of government and contractor furnished material action if the requirement cannot be satisfied within the uniform material movement and issue priority system or other acceptable time frame by some type of normal supply action.

b. Supply Actions. Specifically, the Navy inventory manager will determine that none of the following supply actions is feasible:

1. issue of serviceable system stock of either the required item or a suitable substitute (equivalent item or higher assembly);
2. obtaining the required item or a suitable substitute from another military service, the availability of which is determined using emergency interrogation procedures;
3. removal from a higher assembly which is in a potential excess position (partial reclamation);
4. expediting delivery from a repair program or from procurement;
5. spot buy at the inventory manager level or referral to an activity in the United States for local procurement action.

4. REFERRAL OF POTENTIAL CANDIDATES

a. Requisition Back Ordered. Upon determination that a requisition qualifies as a potential candidate for cannibalization or diversion of government and contractor furnished material, the requisition will be back ordered and the Navy inventory manager will provide special supply status to the requisitioner and his cognizant type commander. This status will be provided by message, advising that positive supply action cannot be effected within allowable time frames and that the requisition be considered a Potential candidate for cannibalization or diversion of government and contractor furnished material.

b. Special Supply Status. The special supply status will include best scheduled, estimated or delivery date and any technical data available to the inventory manager, such as manufacturers and part numbers, other equipment applications, and piece, part, and symbol numbers.

5. CANDIDATES

a. Receipt of Special Supply Status. Upon receipt of special supply status from a Navy

inventory manager indicating that a requisition is considered a potential candidate for cannibalization or diversion of government and contractor furnished material; the type commander will determine whether the immediate requirement can be satisfied through loan of a spare from another activity or ship, removal from a ship or aircraft, or other alternatives available to the type commander.

b. Type Commander's Action. If it is determined that supply action cannot be effected from within type commander's resources, he will advise the Navy inventory manager by message that the requisition is a candidate for cannibalization or diversion of government and contractor furnished material.

6. CANNIBALIZATION OR DIVERSION OF GOVERNMENT AND CONTRACTOR FURNISHED MATERIAL

a. Feasibility. Upon receipt of advice from the type commander that a requisition is considered a candidate for cannibalization or diversion of government and contractor furnished material, the Navy inventory manager will consider the following factors before initiating action:

1. operating schedule of the possessor of the parent unit (equipment, component, assembly) to be cannibalized, or production schedule of the contract from which government and contractor furnished material must be diverted, and the expected delivery of replacement items from repair programs or from procurement;
2. impairment in the readiness of the possessor of the parent unit to be cannibalized or expected slippage in production or construction schedules;
3. requirements for and availability of special skills to accomplish removal of required items and in the subsequent restoration;
4. in determining feasibility, the Navy inventory manager will consult the:
 - naval inactive ship maintenance facility if the parent unit is installed in inactive ships;
 - parent unit inventory manager if the parent unit is in stock or scheduled as government and contractor furnished material;
 - respective naval air rework facility if the parent unit is on an aircraft scheduled for crash damage rework or long or process time repair.

b. Authority. The approval authority depends upon the location and status if the parent unit as follows:

1. the parent unit inventory manager can approve cannibalization of parent units in stores accounts;

2. the Naval Sea Systems Command can approve cannibalization of inactive ships; copies of requests must be provided the Chief of Naval Operations;
3. the procurement contracting officer with the approval of the respective systems command project manager can authorize either cannibalization of parent units under production, or diversion of government and contractor furnished material held for production contracts;
4. the shipyard commander or the supervisor of shipbuilding can approve either cannibalization of parent units installed or awaiting installation? in ships undergoing construction or conversion, or diversion of government and contractor furnished material for ships undergoing construction or conversion;
5. cognizant type commanders can approve cannibalization of parent units installed in operating ships and aircraft;
6. Naval Air Systems Command can approve cannibalization from aircraft undergoing overhaul at a naval air rework facility and Naval Air Systems Command managed activities, and diversion of government and contractor furnished material from Naval Air Systems Command procurement contracts;
7. Naval Sea Systems Command (Ordnance) can approve cannibalization and diversion actions from Naval Sea Systems Command managed activities and contracts for Naval Sea Systems Command ordnance managed material.

e. Procedure. If approval to effect cannibalization or diversion of government and contractor furnished material is granted, the Navy inventory manager will refer the requisition to the activity designated by the approving authority for appropriate action, by message. The message will reference the authority for the action and include the following data:

1. description, designation, and possessor of parent unit to be cannibalized, or contract number from which government and contractor furnished material is to be diverted;
2. description of the required items (nomenclature and piece, part, symbol, drawing, line number); -
3. funds chargeable for cannibalization costs and subsequent restoration costs or diversion costs, as prescribed in subpar. d.

Replacement action will be initiated if required. If a Navy Stock Account item and the issue was on a no priced invoice, replacement item material costs will be

charged to the original requisition; otherwise replacement item material costs will be charged to funds normally used to procure the item from stock.

d. Funding. In the interest of saving total costs to the Government in billing, collecting, and processing, activities may perform work of an insignificant value (up to \$100) on a non-reimbursable basis when local fund balances permit absorption of the costs. Navy inventory managers of required items will fund reimbursable work based upon the stores account in which the required item is currently and normally carried as follows:

1. if carried in the Navy Stock Account, cannibalization costs and subsequent restoration costs or diversion costs will be charged to the Navy Stock Fund sub- allocation;
2. if carried in the Appropriation Purchases Account, diversion costs will be charged to the applicable Appropriation Purchases Account funds; cannibalization costs will be charged to the applicable appropriation, Operation and Maintenance, Navy, funds available for financing repair efforts; if these funds have not been distributed to the inventory manager level, they will be obtained from the financing command or office on a case by case basis.

7. MONITORING ITEM REPLACEMENT. The necessity to resort to either cannibalization or diversion of government and contractor furnished material requires that the Navy inventory manager:

1. expedite the cannibalization or diversion action;
2. expedite action to provide replacement items;
3. conduct supply demand reviews and take remedial action, when warranted, to minimize uneconomical future cannibalization actions or diversions of government and contractor furnished material.

8. NON-NAVY MANAGED (COGNIZANCE SYMBOL 9) ITEMS.

a. General. For items managed by the General Services Administration, Defense Supply Agency, Army, Air Force, or Marine Corps in support of Navy requirements for the item (i.e., integrated managers), the integrated managers will not identify items to type commanders as potential candidates for cannibalization or diversion of government and contractor furnished material. However, to the extent that type commanders are aware of requisitions which meet the criteria in subpar. 2 and for which unsatisfactory supply status has been furnished by

integrated managers, the type commander may elect to certify the item as a candidate for cannibalization or diversion of government and contractor furnished material in accordance with subpar. 5.

b. Procedure

(1) Type Commander's Action. The type commander will submit requests for cannibalization or diversion of government and contractor furnished material to obtain cognizance symbol 9 items to the Navy inventory control point with program support (technical) responsibility for the item. A copy of the request will be sent to the Navy Fleet Material Support Office.

(2) Program Support Inventory Control Point. The program support inventory control point will commence action to obtain the item through cannibalization or diversion of government and contractor furnished material in accordance with subpar. 5 except that funding the cannibalization effort will be the responsibility of the Navy Fleet Material Support Office. These funds will be cited to the activity performing cannibalization by the program support inventory control point. Also, issue of the item by the Navy activity effecting cannibalization or diversion of government and contractor furnished material will be accomplished on a no price memo invoice. The requisitioner will be requested to modify the outstanding requisition to ship direct to the activity requiring the replacement and to bill the original requisitioner. The activity needing the replacement will followup on the modified requisition.

(3) Navy Fleet Material Support Office Action. The Navy Fleet Material Support Office will determine whether the item is available in retain assets by consulting annual stock status reports and confirming current availability. If the item is located the Navy Fleet Material Support Office will:

1. advise the program support inventory control point to cease actions to effect cannibalization or diversion of government and contractor furnished material;
2. notify all concerned of the source of supply and request the requisitioner to place a new requisition with the Navy retail stock point identified as the source of supply, and take appropriate action with respect to the requisition held by the integrated manager.

If not successful in locating Navy retail assets, the Navy Fleet Material Support Office will advise the program support inventory control point of the Navy Fleet Material Support Office funds to be charged for industrial efforts.

9. CANNIBALIZATION AND RESTORATION ACTIVITIES

a. Approved Requests. Upon receipt of approved requests for cannibalization action, cannibalization and restoration activities will:

1. provide the requesting inventory manager an estimate of cannibalization costs;
2. expedite removal of the required item; prepare the item for shipment (clean, test, calibrate, package, etc.); ship and provide shipment status to all concerned; advise the requiring inventory manager whether or not reimbursement is required for the industrial effort expended; if affirmative, actual cannibalization costs will be provided in accordance with subpar. 6d;
3. retain the cannibalized parent unit as is, taking necessary precautions to

preclude further deterioration pending restoration.

b. Receipt of Replacement Items. Upon receipt of replacement items - cannibalization and restoration activities will provide the replacement item inventory manager (Navy Fleet Material Support Office for cognizance symbol 9 items) an estimate of restoration costs and expedite restoration of the parent unit to the condition which existed prior to cannibalization action.

c. Installation of the Replacement Item. Upon completion of installation of the replacement item, cannibalization and restoration activities will advise the replacement item inventory manager (Navy Fleet Material Support Office for cognizance symbol 9 items) whether or not reimbursement is required for industrial efforts expended. If affirmative, actual restoration costs will be indicated.

PART D: RETAIL ISSUES**Section I: SHOP STORES--POLICY AND MANUAL PROCEDURES****25600. SHOP STORES**

1. DEFINITION. A shop store is a retail issuing organization located at a naval activity to furnish material for use at that activity in current manufacturing, repair, maintenance, or general use. When stores of a similar type are established in one command but supported by another command, they will be designated as ready supply stores as defined in par. 25660-25664.

2. PURPOSE. The primary purpose of the shop store is to facilitate the issue of material which is needed for current operations. Therefore, stock is specialized, stock control and issue procedure is simplified, and the store is operated by personnel familiar with the material stocked.

25601 ESTABLISHMENT OF SHOP STORES

1. GENERAL. Shop stores are established when the need exist; for a ready supply of material for use in current manufacturing, repair, or maintenance work. A single shop store may serve more than one shop.

2. LEDGER ACCOUNTS. For other than Navy Industrial Fund material, the supply officer will open a Financial Inventory Ledger (NavCompt Form 2153) for each shop store to which will be charged the money value of the stock carried in the shop stores. Financial inventory control ledgers are not maintained by federal supply classification groups or classes for shop stores. The ledger will be maintained by stores account, cognizance symbol, and within each cognizance symbol by separate accounts for standard and nonstandard (material control code L) material, and appropriate material control codes for cognizance symbol Y material. When stores are issued from the main supply department to the shop stores, entry will be made on the financial inventory ledgers transferring the money value of such stores from the respective two digit classes to special accounting class 203 ledgers for the shop store involved (see par. 14049-3). When material is procured from other supply officers or by purchase for direct delivery to shop stores, copies of the receiving documents will be forwarded to the financial inventory control section for processing in accordance with par. 23067-6.

3. MATERIAL TRANSFERS TO SHOP STORES. Material in the Navy Stock Account when transferred to a shop store will not be charged to the local station allotments as

such issues are a transfer between classes. The charge to the allotments and appropriations concerned will be made at the time the issue is made from the shop stores for final use. Material in the Appropriation Purchases Account when transferred to a shop store is only a transfer between classes.

25602 SHOP STORES STOCK

1. TYPES AND QUANTITIES. Shop stores are set up to meet the demands for material needed for current operations. Material stocked in shop stores may include non-standard items. However; nonstandard material will not be stocked when standard items can be utilized. All items will be maintained in a ready for issue condition including used items which have been returned to shop stores stock. The supply officer in collaboration with the head of the department or activity concerned will determine the range and depth of new items to be stocked in the various shop stores until usage data for these items can be accumulated. The supply officer will establish stock levels for regularly carried shop store items in accordance with consumption requirements and current directives. The stock of each item in shop stores will not exceed a quantity estimated to be needed for a three month period, based on the average of the preceding four quarters of usage data, subject to the requirement that stock be replenished in full package quantities. However, for insurance items (see subpar. 3), and for new items for which usage data has not been accumulated, such stock levels do not apply. At secondary stock points maintaining all cognizance symbol Y material in special accounting class 203, stock levels will be established in accordance with instructions issued by the Navy Ships Parts Control Center. Material needed for specific jobs of a nonrecurring nature will not be stocked in shop stores or requisitioned by shop store personnel but will be ordered direct from the supply department.

2. NONSTANDARD MATERIAL. Stocks of nonstandard material in shop stores will be financed under the Navy Stock Fund when activities have legitimate continuing requirements for items not obtainable as standard Stock through the Navy Supply System. Naval Supply Systems Command inventory control points whose cognizance material is carried in the Navy Stock Fund will grant quarterly allotments to stock nonstandard material based on the submission of properly justified

allotment requests submitted by field activities. When nonstandard stock is financed under the Navy Stock Funds the following conditions will apply:

1. Nonstandard material will not be stocked when standard items will serve the purpose for which required.
2. Maximum utilization will be made of standard stock and noncritical items in lieu of brand name, critical, and extra specification items.
3. Substitution of similar standard items will be made if possible.
4. When demands indicate a repetitious requirement for the item, the item will be standardized.
5. One time demands and nonrecurring demands for items required for immediate use will not be financed under the Navy Stock Fund.

3. INSURANCE ITEMS

a. General. An insurance item is an item that, although it has only occasional or sporadic demand, must be stocked, since the lack of it could prevent the accomplishment of the assigned or contingent task. The stock level of insurance items will be limited to the quantity it is anticipated will be required to satisfy the emergency or circumstance for which the item is held. The Stock Record Cards (NavSup Forms 766) or the shop store balance cards for insurance items will be tabbed or coded to indicate an insurance item or will be maintained in a separate group. Insurance items will be reviewed annually by the shop store supervisor or his assistant, in collaboration with shop personnel, to reduce to a minimum the stock of such items, unless a significant increase in inventory investment warrants individual quarterly review of the items. Insurance items will not be removed from shop store stock unless agreeable to departments, shop, or maintenance supervisors concerned. Items on the shore Electronic Repair Parts Allowance List prepared by the Navy Electronics Supply Office for Naval Electronic Systems Command controlled equipments may be considered insurance items and stocks may be maintained in accordance with allowance list quantities. When allowance list items normally are carried as shop store items, the safety level will be increased by the quantity prescribed on the allowance list.

b. Plant Property Insurance Items. Insurance items required for plant property maintenance and repair may be retained at shore activities. These items must be essential items of a long procurement lead time nature related to indispensable equipment or to equipment indispensable to the maintenance or productive effort of the activity, i.e., insurance items related to water, heating or lighting systems, power plants, automotive

or freight handling equipment, locomotive and railroad equipment, etc.

c. Production Insurance Items. When requested by the scientific and test, maintenance, production, or overhaul department component, production insurance items may be retained in the shop stores supporting the component. These insurance items are repair parts or other items, normally not carried in local supply department stocks, which were originally procured to effect repairs or replacements on equipment, the repair or overhaul of which is an assigned function of the production or overhaul component. Insurance items retained by activities for use in the performance of their mission other than plant property maintenance and upkeep are included in this category. The retention of these items must be approved by local authority.

d. Insurance Items at Navy Industrial Fund Activities. Additional instructions covering insurance items retained at activities operating under the Navy Industrial Fund are issued by the primary support bureau, commands or office and the Office of the Comptroller of the Navy.

4. UNITS OF ISSUE AND REPLENISHMENT. The unit of issue-for shop stores items is determined by the quantities normally required, and in many cases will be different from the unit in general use, for example, the unit of issue for screws may, be each instead of dozen or gross. The minimum value of any issue will be one cent. Shop store stock will be replenished by the units of issue used in the main storehouse and not be fractional parts of those units.

5. STOCK STATUS REPORTING. When all material under a particular cognizance symbol is retained in shop stores and no backup stock is maintained in the general storerooms, of the activity, the Naval Supply Systems Command inventory control points concerned are authorized to require stock status reports of material carried in shop stores. Naval Supply Systems Command inventory control points will request specific approval from the Naval Supply Systems Command before requiring a stock status report from shop stores.

25603 SHOP STORE ADMINISTRATION

1. CONTROL. The administration and operation of shop stores is the responsibility of the activity supply officer. All personnel engaged in shop store functions will be assigned to the shop store organizational component of the supply department. While the shop store organizational component is normally positioned in the material division

as prescribed in par. 11065, selected industrial-commercial activities have established a supply services type of division which includes the operation and administration of the shop stores. At industrial-commercial activities, the supply services type division is tailored to cope with all material problems related to the production effort. At retail stock points maintaining all cognizance symbol 9L material in special accounting class 203, the procedures in pars. 25600-25616 apply.

2. **SHOP AND READY SUPPLY STORES.** At Navy retail stock points, other than activities under the primary support of the Chief of the Bureau of Medicine and Surgery which submit Navy Stock Account returns, and at those centers and depots having cognizance symbol 9L material predominantly for the support of others, a shop store type of operation will be established for medical and dental material. Custody, storage, maintenance of stock records, issue, and replenishment responsibilities will be assigned to the medical and dental department. Physical inventories will be conducted by the inventory section as → provided in NAVSUPINST 4440.115 (series), as applicable. Accounting and stores returns functions will be performed by the parent activity or by an adjacent activity which submits Navy Stock Account returns. Activities having a shop store type of operation are authorized to take up receipts directly into special accounting class 203.

3. **SHOP STORES SUPERVISOR.** The shop store supervisor is appointed by the supply officer and is responsible to the supply officer for:

1. insuring that station directives concerning the conduct of shop stores are carried out;
2. maintenance of adequate stock records; “
3. establishing, reviewing, and revising safety levels on stock cards based on quantities needed during time required to complete replenishment action;
4. ascertaining that replenishment action is initiated when safety levels are reached;
5. approving replenishment requisitions as considered necessary by the supply officer;
6. ascertaining that material returned from shop stores to the supply department is delivered to the proper supply department location;
7. taking quarterly spot inventories of fast moving items and adjusting the stock cards to agree with stock on hand;

8. corrective action when Stock Record Cards (NavSup Forms 766) show zero balances;
9. reducing the stock of nonstandard material to an absolute minimum by substitution of standard stock items when possible;
10. bringing suggestions or information pertaining to matters under his supervision to the notice of the heads of divisions or other supervisory personnel.

The shop store supervisor must be familiar with all established policies and procedures which can be utilized to affect the efficiency of the shop store operation. The efforts of the shop store supervisor to keep the shop store operating in strict accordance with station directives will be supported by the shop superintendent of the division concerned, head of supported activity, and by shop store personnel.

4. **SHOP STORES PERSONNEL.** Shop stores are administered under the direction and guidance of the shop stores supervisor. The Civil Service personnel employed in shop stores will be permanently assigned to group IVb positions except stockmen and warehousemen occupying positions established in accordance with directives issued by the Civil Service Commission and the Department of the Navy. Shop store personnel are responsible for:

1. receiving and issuing material;
2. maintaining stock records;
3. effecting replenishment of stock;
4. recommending substitution of interchangeability for parts and materials;
5. determining when possible by visual inspection, that stock items are in “ready for issue/use” condition;
6. operating shop stores in accordance with station directives.

5. **LABORERS.** Under Civil Service regulations, the assignment of laborers as shop storemen is prohibited. However, laborers may be detailed by heads of divisions concerned to any heavy work in handling stores which does not require a trade knowledge or clerical ability. The rate of pay for such laborers will not be changed as a result of performing such work in the shop store.

6. **BACK ORDERS.** As a general rule, back orders will not be established on shop store records.

However, back orders may be established when the unit of issue within the shop store is less than the unit of issue from regular supply department stocks, or when stock replenishment requisition has been submitted to the supply department and delivery is expected within a short duration of time.

25604 SHOP STORE RECORDS

In the routine operations of shop stores, the following forms will be used:

1. Stock Record Card (NavSup Form 766);
2. Stock Record Card Insert (NavSup Form 768);
3. DOD Single Line Item Requisition System Document (DD Form 1348).

The Stock Status and Replenishment Card (NavSup Form 767) may be used if considered necessary by the activity. At activities utilizing electric accounting machine equipment, issues from shop stores may be made on a Shop Store Issue Card (NavSup Form 806), if considered advantageous by the local activity. Mechanized shop stores stock record procedures are prescribed in pars. 25630-25643.

25605 INVENTORY CONTROL

Stock records will be maintained on Stock Record Cards (NavSup Forms 766) and will include the following information:

1. stock number of the item,
2. description of the item,
3. issuing unit price of the item,
4. safety level,
5. units of issue and packaging unit.

Replenishment will be made when the stock of any item reaches or approaches the safety level established for the item. The safety level must be a quantity sufficient to supply normal needs during the period of time necessary to secure replenishment. When establishing safety levels, consideration must be given to the packaging quantity.

25606 REPLENISHMENT

1. REQUISITIONS FOR REPLENISHMENT. Requisitions for replenishment of items normally stocked or for new items to be stocked will be made

on DoD Single Line Item Requisition System Document (DD Form 1348) by the shop storeman and submitted to the supply department in the number of copies required for local distribution. Requests for material needed for specific jobs of a nonrecurring nature will be ordered direct from the supply department by the requester (see par. 25602). Specific job cognizance symbol Y material not carried in the shop store or the supply department may be requisitioned direct from the distributive activity by the shop storeman. These requisitions will be based on requests submitted by shop personnel. All items requisitioned on a single station requisition will be of the same stock class and material control code (if applicable): A separate station requisition will be prepared for non-standard material. Each station requisition will show:

1. date;
2. requiring shop number and stub serial number;
3. standard stock number of each item desired;
4. short description of each item;
5. quantity required (which is the past 90 days usage, plus the planned requirements), replenishment must be requested in full package quantities when the packaging information is available;
6. shop store unit of issue;
7. signature of storeman or stock record clerk initiating replenishment action;
8. signature of shop stores supervisor when planned requirements increase the quantity required over the past 90 days usage.

The station requisition will be forwarded to the regular two digit class stock records branch.

2. LOCAL PURCHASE. It is mandatory that supply officers utilize to the fullest extent all established procedures which will assist in maintaining effective supply support. To facilitate the procurement of items not normally carried in stock, blanket purchase agreements and the imprest fund purchase method will be utilized whenever possible (see Field Purchasing, pars. 5025 and 5125-5131). If the imprest fund or blanket purchase agreement purchase methods are not in use at the activity, the supply officer will review and establish such procedures when it is indicated more effective service will result from their use. Under the blanket purchase agreement method, performance of the ordering function in shop stores is encouraged when this is compatible with funding and inventory control procedures.

Blanket purchase agreement procedures are particularly applicable to public works maintenance and automotive shop stores.

3. HISTORICAL RECORDS. When the local command considers it desirable, historical records of demand for items not carried may be maintained as a part of the shop store records for stocking particular items.

**25607 SUPPLY DEPARTMENT, CONTROL
DIVISION, ACTION**

1. STOCK RECORDS BRANCH. Stock records will be checked by the stock records branch for avail-

ability. If the item is available for issue, unit prices and extensions will be entered on the replenishment requisition. Entries will be made to the Stock Record Card (NavSup Form 766) and the physical transfer of the material from the storage branch authorized. The original of the replenishment DOD Single Line Item Requisition System Document (DD Form 1348) will be forwarded to the financial inventory control section in order that the stock class ledgers may be adjusted and the shop stores ledger account charged with the money value of the material. The original copy of the requisition will be filed in the financial inventory control section. If an item is normally carried but not in stock, the item will be

obligated and shop stores personnel notified immediately in order that other methods of replenishment may be utilized if necessary. If the requisition is for a noncarried item, the document will be forwarded as expeditiously as possible to the procurement branch, and the shop stores notified of the action taken. When items are obligated or not normally carried in the regular supply department stock, shop stores personnel will review the requirements to ascertain if normal procurement action can meet the need for the item. If the need for more expeditious procurement is indicated, action will be taken to secure the material from suppliers holding blanket purchase agreements or by means of the imprest fund method.

2. **PROCUREMENT BRANCH.** Upon receipt of a requisition for material needed in shop stores which requires procurement action, the procurement branch will utilize the most expeditious method to secure delivery of the requested material.

25608 RECEIVING PROCEDURES

1. **RECEIPT OF MATERIAL IN SHOP STORES.** Upon receipt of requested material, shop stores personnel will take the following action:

1. check material received against the copy of the DOD Single Line Item Requisition System Document (DD Form 1348) or other receiving document;
2. sign a "proof of delivery copy" of the requisition or other document;
3. post proper Stock Record Cards (NavSup Form 766) with the date and number of the delivery document, quantity received, and the resulting balance on hand (The quantity received should be posted in the "Other issues/rec'd" columns.);
4. stow material in proper bins or racks. Receipt documents will be processed immediately and delivered to the proper department, division, or section. Local directives may require receipt documents to be forwarded to the shop stores supervisors office for distribution.

2. **PRICING STOCK.** Upon replenishment of items stocked in shop stores, shop stores personnel will change the price on the NavSup Forms 766 when necessary to agree with the supply department issue price or, in case of purchased material, will establish a local carrying price. Necessary adjustments because of difference between the existing price and the new price will be prepared in the manner prescribed in par. 24132-5 or 6, as appropriate, or as prescribed in subpar. 3 when financial inventory control records are maintained mechanically. Upon receipt of new items, shop store personnel will es-

tablish stock record cards and, Stock Record Card Inserts (NavSup Forms 768) for the items, and enter, the supply department issue price on the cards. All issues and credits for material returned will be made at the latest price. However, when the unit of issue from shop stores stock is different from the regular supply unit of issue, the shop store unit of issue price must be determined by shop stores personnel. The shop store unit of issue price will be rounded off to the nearest cent. In computing the shop store unit of issue price, five or more mills will be adjusted to the next higher cent.

3. **PROCESSING RECEIPT DOCUMENTS WHEN STOCK RECORDS ARE MAINTAINED MANUALLY BUT FINANCIAL RECORDS ARE MAINTAINED MECHANICALLY.** When financial inventory control records are maintained mechanically, it is not necessary to follow the provisions of par. 24132-5 or 6 in computing adjustment gains or losses on price adjustment forms. In lieu thereof, the stock poster need only insert the local carrying price or standard price of the item on the receiving document and forward the document to the financial inventory control function where adjustment gains or losses, as applicable, will be computed in accordance with par. 24423 for money value only transactions.

25609 MATERIAL RETURNED TO REGULAR SUPPLY DEPARTMENT STOCKS

1. **MATERIAL IN EXCESS OF PRESCRIBED LEVELS.** DOD Single Line Item Release/Receipt Document (DD Form 1348-1) will be used for material in excess of prescribed levels returned from shop stores to the regular supply department stocks. The preparation and handling of DD Form 1348-1 will be the same as when requesting material from the supply officer. Unit prices will be entered on the form by shop stores personnel; all other clerical work will be done in the supply department, control division. The supply department, control division, will make the extensions, credit the shop stores ledger account, and return the duplicate to the shop stores. The shop stores supervisor will insure that material is delivered to the proper storage area. Broken lots of packaged type items will not be returned to the regular supply department. Shop stores personnel will post the proper Stock Record Cards (NavSup Forms 766) with the date and number of the covering credit station requisition, quantities, and the resulting balances on hand. Broken lots of packaged type items for which there is no further need will be expensed from the records by survey action initiated by the shop stores supervisor. Non-standard material which is excess to the

shop stores stock will be processed in accordance with the Defense Disposal Manual.

2. MATERIAL PHYSICALLY LOCATED IN SHOP STORES NOT ON SHOP STORE RECORDS. Material not on the records of an accountable officer other than direct material issues physically located in shop stores must be reflected on the records of the accountable officer in accordance with instructions issued by the Secretary of the Navy. Procedures for processing material turned in to store are prescribed in pars. 23185 and 23186, and NAVSUPINST 4440.157. → The shop stores supervisor will check in individual shop stores to ascertain that a 11 material is carried in the stock records.

25610 ISSUE PROCEDURES ,

1. MATERIAL ISSUES FROM SHOP STORES. The issues of material from the shop stores for final use will be made on a DOD Single Line Item Requisition System Document (DD Form 1348) or DOD Single Line Item Release/Receipt Document (DD Form 1348-1), when applicable. Stores will be issued by shop stores personnel only on presentation of a properly prepared request signed by an authorized person. When a shop store services more than one shop, or when it is determined necessary by the supervisor of the shop serviced, a list of personnel authorized to sign requisitions will be furnished to the shop store. The person actually drawing the material will sign the request document as the receiver of the material. When issuing material from the shop stores, the shop storeman will take the following action:

1. check the request document for an authorizing signature and fund coded job order number; if they are not entered the request will not be filled;
2. enter on the request document the stock number (or check if already entered) and unit price;
3. secure the signature of person receiving the material;
4. post stock record cards (if maintained in shop store) with the date, quantity, and the resulting balances;
5. group issue documents by stores account and cognizance symbol for standard and nonstandard material and place expenditure documents in container for messenger pickup.

2. MATERIAL ISSUES FROM AUTOMOTIVE SHOP STORES. The procedures in subpar. 1 apply to issues made from the automotive shop store. However, when the local command considers it feasible and desirable, the request document may be prepared by shop store personnel from information in the Shop Repair Order (Nav-

Fac Form 9-11200/3A). Authorized shop personnel must sign the DD Form 1348 or the DD Form 1348-1 prior to or concurrently with the issue of material.

3. OPTIONAL PROCEDURE. When a job material list or shop repair order is utilized, a signed copy will be forwarded to the supply department as a letter of transmittal for the requisitions resulting from the list. Signature of authorized personnel on the request portion of the requisition documents will not be required. Shop personnel authorized to draw material will sign the DD Form 1348 or DD Form 1348-1 to indicate, proof of receipt.

4. CENTRALIZED SHOP STORE RECORDS. At activities where shop stores stock records have been centralized, all inventory control functions will be performed in the central records unit. The central records unit will maintain the stock record cards, establish safety levels, and initiate replenishment action based on usage data. The central unit will post stock records and price and extend request documents received from individual shop stores. Each shop store will forward daily to the central records unit all receipt and expenditure, documents. The receipt and expenditure documents will be forwarded in separate groups and the central records unit personnel will give priority to posting the receipt documents to the proper stock record cards.

5. FORWARDING OF ISSUE DOCUMENTS TO FINANCIAL INVENTORY CONTROL

a. Individual Shop Store or Central Records Unit. The individual shop store or central records unit will group issue documents by stores account and each cognizance symbol for standard and nonstandard material. The issue documents will be forwarded daily to the financial inventory control section.

b. Financial Inventory Control Section. In the financial inventory control section the prices on the issue documents received from individual shop stores will be extended. The total money value of all shop stores issues will be posted to the proper ledger account. After processing by the financial inventory control section, the issue documents will be forwarded to the fiscal department for entry in the cost records.

c. The Fiscal Department. The fiscal department will record all charges in such a manner that management officials of an activity may be furnished with a report of accrued charges to date, as required for effective management control of funds.

6. RETURN OF MATERIAL TO SHOP STORES.

When an excess amount of material has been requested and issued from the shop store to a fund coded job order, such excess will be returned to the shop store with the DD Form 1348 or DD Form 1348-1. The return document will cover the same job order or functional account under which the material was issued and will show the following information:

1. fund coded job order,
2. shop number,
3. date,
4. description and quantity of item,
5. signature of employee authorizing return of material.

Upon receipt of returned material, the shop stores employee will take the following action:

1. check the quantity received against the quantity noted on the return document;
2. make a visual inspection to ascertain that material is in undamaged condition;
3. sign the document, indicating receipt of the material;
4. enter the stock number and unit price;
5. post stock record cards with date, quantity received, and resulting balance.

At activities where records are centralized, the return document will be forwarded to the central record unit for pricing, extending, and posting prior to transmitting to the financial inventory control section. At activities where the records are maintained in the shop store, the return document will be forwarded direct to the financial inventory control section.

7. FINANCIAL INVENTORY CONTROL SECTION. In the financial inventory control section, the prices on the return documents received from individual shop stores will be extended. The total money value of all shop store return documents will be posted to the proper ledger account. After processing, the return documents will be forwarded to the fiscal department for entry in the cost records.

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25612 PRE-EXPENDED BINS

1. DEFINITION. A pre-expended bin is one which contains high usage, maintenance related materials, which already have been expended from the supply department stock records and

related financial account.

2. PURPOSE. The purpose of the pre-expended bin is to facilitate the issue and accounting procedures for recurring issues of maintenance related materials. The use of the pre-expended material system will eliminate the time required to fill out and secure authorization on a request document, the waiting required at the retail outlet counter, the posting of individual issues to stock records and will reduce the number of transactions processed through the supply and fiscal departments.

3. ADMINISTRATION AND OPERATION. Pre-expended bins will be located where they are readily accessible to shop personnel and, when feasible, will be located where they can be observed by the retail outlet storekeeper as an aid to prompt recognition of any abuses to the pre-expended system. Attractive items or items considered subject to pilferage will be retained within a retail store enclosure with free access limited to authorized personnel designated in writing by the head of the department being supported. Overall responsibility for pre-expended bin management is assigned to the activity supply officer. When a supply officer is not assigned to the activity, responsibility for pre-expended bin management will be assigned to the shop store administrator. This responsibility includes display, labeling and initiating replenishment and turn-in action when required.

4. TYPES AND QUANTITIES OF STOCK. pre-expended bin stock will be limited to maintenance related materials having a minimum demand frequency of three per month. The quantity of each item pre-expended

will not exceed an estimated thirty-day supply subject to the requirement that stock be replenished in full package quantities. In order to safeguard against\eliminate incidents of waste, fraud and/or abuse, items otherwise eligible to be pre-expended, but coded with one of the below listed Logistics Management Codes as defined in Appendix 17 of NAVSUP Pub 437 are not authorized for inclusion in pre-expended bins.

a. Depot Level Repairable
(Material Control Code H);

b. Field Level Repairable
(Material Control Code D);

c. pilferable Items (Pilferable Codes I, J, M, N, P, Q, R, V, W, X, Y, and Z) (Note: Repair parts in support of equipment items with Pilferage Code I, Y, and Z and those unclassified items assigned Pilferage Code J may be pre-expended provided that such items are retained in a retail store enclosure in accordance with paragraph 25612-3.);

d. items with assigned Issue Restriction Codes for which issue approval must be provided by the cognizant ICP, Systems Command or higher Navy authority;

e. items with assigned Storage Codes indicating a requirement for specialized storage facilities (e.g. hazardous/flammable items);

f. items with assigned Security Codes A thru H, K, L, O, S, T or Z;

g. items with assigned Special Material Content Codes A thru Z, 2, 3, and 4.

II-I In addition, items contained in critical or short supply lists published by cognizant, inventory

managers or other competent authority and special materials required for a specific job will not be included in the pre-expended category. Stocks of critical items already pre-expended will be returned to the supporting supply department for credit and take-up in the stock and the financial records. Special materials required for a specific job will be handled as prescribed in par. 25614. The supply officer/shop store administrator and the head of the department being supported are jointly responsible for determining those eligible items to be included/excluded from pre-expended stocks under the criteria prescribed herein. Eligible items with a unit cost of \$50 or less may be routinely established in pre-expended stocks. Eligible items with a unit cost in excess of \$50 may be pre-expended with the approval of the commanding officer.

5. REPLENISHMENT. The supply officer/shop store administrator will take action to replenish the pre-expended bins as necessary. Stock records will be reviewed quarterly to ensure that all items indicate sufficient usage to be retained in a pre-expended status and to correct any mixing of pre-expended items. As a minimum, any item which has experienced no demand within the last 12 months will be purged from pre-expended stock and returned to the supporting supply department for credit and/or excessing action as warranted.

6. ACCOUNTING FOR PRE-EXPENDED MATERIAL. The value of materials placed in pre-expended bins will be charged to overhead at industrial type activities or to the account normally chargeable for operations at other activities. If more than one account is chargeable for material in a pre-expended category, the cost will be apportioned to the appropriate accounts.

7. **APPLICABILITY.** The instructions in this paragraph are applicable to all Navy shore activities establishing and maintaining pre-expended bins. Management bureaus, commands and offices may issue instructions prescribing additional provisions and limitations as are considered necessary (e.g., unit price or total dollar value limitations) if not in conflict with instructions contained herein and may restrict or prohibit the use of pre-expended bins at specific field activities under their management or financial control." Financial instructions for handling pre-expended bin issues at activities under the Navy Industrial Fund are contained in the applicable Navy Industrial Fund Handbook. Instructions for pre-expended bin operations afloat are ↑ contained in NAVSUP pub 485.

25613 SURVEYS OF SHOP STORE STOCK

Stores found to have deteriorated or become valueless must be surveyed and expended from the Stock Record Cards (NavSup Forms 766). Losses of Appropriation Purchases Account material will be expended to 17X1995, Nonreimbursable Issues of Appropriation Purchases Account Material. Losses of Navy Stock Account material will be expended to the Navy Stock Fund. For survey procedures, see pars: 25155- → 25164.

25614 SPECIFIC JOB MATERIAL

When the shop storeman has taken charge of material drawn against a specific job order, the material must be kept separate from the shop store stock. This material may have been drawn direct from supply department stocks, ordered from a distributive activity, or procured by local purchase based on a request document prepared by shop personnel. Such material which becomes excess will be returned to the supply officer with a DOD Single Line Item Release/Receipt Document (DD Form 1348-1). When excess material

is transferred to the shop store, the credit station requisition will be used and will be received by the shop storeman and forwarded to the supply department.

25615 DESTRUCTION OF PAPERS

Accumulation of paper in the shop store must be prevented by the destruction of all paper that has served its purpose. Duplicates of replenishment requisitions and of returned material requisitions must be destroyed under direction of the shop store supervisor after the shop store supervisor has ascertained that proper entries have been made on the Stock Record Cards (NavSup Forms 766) and unit prices have been adjusted.

25616 INDUSTRIAL-COMMERCIAL ACTIVITIES

1. **GENERAL.** The inventory contained in shop stores at activities operated under the Navy Industrial Fund is financed by the project cash of the activity. However, the administration and operation of the shop stores are the responsibility of the supply officer. Regulations and procedures contained in pars. 25600.25615, as modified by this paragraph, govern the operation of shop stores financed by the Navy Industrial Fund.

2. **REPLENISHMENT.** Replenishment of shop stores under the Navy Industrial Fund is made by issue from regular supply department stock or by procurement from commercial sources. Payment for replenishment is made from the project cash of the activity.

3. **SHOP STORE LEDGER.** The shop store ledger reflecting money value of receipts, issues, and balances of each shop store will be maintained in accordance with the Navy Industrial Fund Handbook for the activity concerned.

4. **INVENTORY.** Physical Inventories of shop stores under the Navy Industrial Fund are the responsibility of the comptroller.

shop in the immediate proximity of the work benches, thus permitting the repairmen immediate access to the replacement items. Therefore, as an optional procedure, Naval Communication System activities and Naval Security Group elements may stock teletype repair parts in the teletype repair shops in accordance with subpara. 2 and 3.

2. DESIGNATION OF CUSTODIAN. When teletype repair parts are stored in the teletype repair shop, the supervisor of the teletype repair shop will designate a custodian and advise the supply officer, in writing, of such designation.

3. METHOD OF OPERATION. Stock records will be maintained in the ready supply store of the activity for teletype repair parts stored in the repair shop which do not meet the criteria of pre-expended bin stocks as defined in par. 25612. At activities which do not have a ready supply store, the supporting supply department will maintain the appropriate stock records. Receipt, issue, and inventory procedures will be the same as for other stocks stored in supply department spaces. Appropriate written instructions will be provided the teletype repair parts custodian.

25617 TELETYPE REPAIR PARTS

1. GENERAL. Teletype repair parts are small, of delicate construction, and normally have only one user at each activity of the Naval Communication System. Because of the nature of this material, and the fact that the teletype repair shop is the sole user of the material, the most practicable method of storing such material often will be to store the entire stock in the teletype repair

Section II: SHOP STORES--MECHANIZED PROCEDURES

25630 GENERAL

The policies and principles outlined in pars. 25600-25617 also apply to the operation of shop stores under mechanized procedures. Field activities desiring to mechanize shop store operations will submit a request to the Naval Supply Systems Command via the management bureau, command, or office for approval prior to converting to mechanized procedures.

25631 CARD FORMS

1. GENERAL. Special card forms utilized in mechanized shop store procedures are listed in the following table. In addition, Item Detail Card (Nav Sup Form 791), Financial Detail (NavSup Form 1162), Stock Inventory Tally Card (NavSup Form 987), and Stock Inventory Trial Balance Card (NavSup Form 986) will be utilized in conjunction with mechanized shop store operations.

Name	S. and A. Form	IBM plate number	Color	Stripe	Corner cut
Shop Store Balance Card	805	879604	Yellow	Blue	URCC
Shop Store Balance Card (Special Attention)	805	879604	Red	None	URCC
Shop Store Issue Card	806	879605 MS	Manila	None	ULCC
Shop Store Issue Card (Credit)	806	879605 MS	Manila	Red	ULCC
Shop Store Replenishment Card	807	879606	Orange	None	None
Shop Store Replenishment Card (Credit)	<u>807</u>	879606	Orange	Red	None

2. SHOP STORE BALANCE CARD. A Shop Store Balance Card (S. and A. Form 805) will be maintained for every item carried in stock in each of the various shop stores. The stock status balance card will be punched

and printed to show the shop store number, local code when appropriate, stores account code, cognizance symbol, fraction code if applicable, stock number, description, shop store unit of issue and unit price, regular

supply unit of issue, quantity on hand, quantity due, past demand, safety level, and date of last transaction.

3. SHOP STORE BALANCE CARD (SPECIAL ATTENTION). A Shop Store Balance Card (Special Attention) (S. and A. Form 805), distinguishable by its red color, will be utilized to notify the shop store records section that the on hand quantity of an item is equal to or less than the safety level and that replenishment action for the item is in order. The special attention card will be punched and printed the same as the shop store balance card for the item it represents.

4. SHOP STORE ISSUE CARD. A Shop Store Issue Card (S. and A. Form 806) will be used to request and effect issue or expenditure of shop store stock and record the issue or expenditure on the shop store balance card. At activities operating under the Navy Industrial Fund S. and A. Form 806 also will be used to prepare the daily statement and reflect the charge against the job order concerned. The shop store issue card will contain the shop store number, transaction code, balance sheet caption code, local code when appropriate, stores account code, cognizance symbol, fraction code if applicable, stock number, description, shop store unit of issue and unit price, job order number, receipt or replenishment document number, quantity, extension, and date of transaction.

5. SHOP STORE, ISSUE CARD (CREDIT). A Shop Store Issue Card (Credit) (S. and A. Form 806), distinguishable by its red stripe, will be used to return material to shop stores for credit. The credit shop store issue card will contain the same information as the regular shop store issue card.

6. SHOP STORE REPLENISHMENT CARD. A Shop Store Replenishment Card (S. and A. Form 807) will be used to effect transfer of material from regular supply stocks to a shop store. The shop store replenishment card will contain the receiving shop store number, local code when appropriate, stores account code, cognizance symbol, fraction code if applicable, stock number, description, regular supply unit of issue, quantity, document number, and date. These cards will be reproduced from item detail cards offset in the regular supply issue operation or will be prepared manually in the case of emergency replenishment.

7. SHOP STORE REPLENISHMENT CARD (CREDIT). A Shop Store Replenishment Card (Credit) (S. and A. Form 807) will be used to effect transfer of material from shop

stores to regular supply stocks or redistribution of material between shop stores. The credit shop store replenishment card will contain the same information as the regular shop store replenishment card. These cards will be reproduced from item detail cards offset in the regular supply issue operation or will be prepared manually in the case of redistribution of material between shop stores.

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25633 STOCK REVIEW FILES

A stock review file will be maintained in stock number sequence by cognizance symbol for each shop store and the various files will be centralized and located as near to the stock review files of the stock control branch as practicable. Each shop store stock review file will consist of electric accounting machine cards under the following conditions:

1. a Shop Store Balance Card (S. and A. Form 805) for each item on hand or on order;
2. a Shop Store Issue Card (S. and A. Form 806) for each transaction processed against a shop store balance card since the previous days balance forward operation (the shop store issue card will be filed behind the corresponding shop store balance card);
3. a credit shop store issue card for each item due to be received from regular supply stocks when material is available (these cards will be filed in separate trays marked "Dues");
4. a special information card for each item of nonstandard stock containing a complete description of the item (these cards should be plain green electric accounting machine cards and may be punched and interfiled with the shop store balance cards or may be filed separately, as desired);
5. the third copy (red freeze card) of the Request for Spot Inventory (NavSup Form 452) when it is necessary to restrict issues because of conditions such as spot inventories (The red freeze card will be filed in front of the corresponding shop store balance card.).

25634 ROUTINE REPLENISHMENT

1. GENERAL. The shop store records section will receive "Special attention cards" daily from the machine records department covering each item on which issues

of the previous day have reduced the on hand balance to an amount equal to or less than the safety level punched in the shop store balance card. The special attention cards will be utilized by the stock reviewers in taking replenishment action. When replenishment action is not considered warranted, the special attention cards will be destroyed.

2. PROCESSING OF ORDER CARD SETS

a. Machine Records Department. A supply of prepunched sets of order cards will be furnished to the shop store records section. A set of order cards will consist of a Shop Stores Issue Card (Credit) (S. and A. Form 806) and an Item Detail Card (NavSup Form 791). Each set of cards will be prepunched with a document number and balance sheet caption code zero.

b. Shop Store Records Section. When replenishment action is warranted, the quantity required will be computed and a set of order cards will be prepared and forwarded to the stock control branch. The shop store number, stock number, quantity, and standard unit of issue will be entered in ink on the credit shop store issue card. The stock number, quantity, and standard unit of issue will be entered in ink across the left end of the item detail card. The shop store number will be mark sensed in the activity or shop number field. The special attention card will be filed in a suspense file awaiting return of the credit shop store issue card from the stock control branch.

3. MATERIAL AVAILABLE FROM STOCK

a. Stock Control Branch. Upon receipt of a set of shop store order cards, the stock reviewer will check for availability of material. If all of the material required is in stock, the quantity inscribed on the credit shop store issue card will be circled in ink. If only a part of the material required is in stock, a line will be drawn through the quantity requested and the quantity to be furnished will be inscribed and circled on the card directly above. The unit price and stores account will be entered in ink on the credit shop store issue card. When the stock number of the item requested has changed, the correct stock number also will be entered. The item detail card will be mark sensed with transaction code A and the quantity being transferred, and will be offset behind the corresponding Stock Balance Card (NavSup Form 801). The credit shop store issue card will be returned to the shop store records section.

b. Shop Store Records-Section. The special attention card will be removed from the

suspense file and destroyed. The unit price entered on the credit shop store issue card will be compared with the unit price on the shop store balance card and when the prices do not agree a new shop store unit price will be determined as outlined in par. 25608-2. The loss or gain by price adjustment will be entered on the appropriate Price Change Adjustment Sheet (NavSup Form 448) maintained by the shop store records unit. The new price will be entered on the shop store balance card and the card will be forwarded to the machine records department for preparation of a new card. The preceding card will be offset for each shop store balance card removed. If no shop store balance card is available for the item being transferred, a new item request sheet will be prepared and forwarded to the machine records department. When an appropriate shop store balance card is available, the credit shop store issue card will be mark sensed with transaction code L and the quantity being transferred, based on the shop store unit of issue, and will be offset behind the shop store balance card.

c. Machine Records Department. Following the preparation of the daily transaction ledgers and creation of new shop store balance cards and stock balance cards as described in pars. 25641-1 and 24301, the machine records department will create shop store replenishment cards from the offset item detail cards as outlined in par. 25641-2. The shop store replenishment cards will be forwarded to the storage branch to effect transfer of material.

d. Storage Branch. The storage branch will assemble material to be transferred, segregating material by shop store number. If the exact quantity is not available for transfer, the quantity being transferred will be entered on both the delivery and proof of delivery portions of the shop store replenishment card. In these cases, the stock number will be entered on the proof of delivery stub portion by hand, or the delivery stub portion and the proof of delivery stub portion may remain attached for routing to the machine records department as described in subpar. e. Upon release of material to the delivery section, receipt will be obtained on the driver control portion of the shop store replenishment card. The driver control portion will be detached and forwarded to the traffic branch.

e. Traffic Branch. The delivery section will deliver material to the various shop stores obtaining receipt on the proof of delivery portions of the shop store replenishment cards. The proof of delivery

stubs will be matched with the driver control stubs. After matching, the driver control stubs will be destroyed. The proof of delivery stubs will be forwarded to the issue control branch for filing except where discrepancies are indicated. In these cases the proof of delivery stubs, bearing the hand written stock number, will be routed to the machine records department, investigation and correction unit, for corrective action. If the stock number has not been entered on the proof of delivery stub portion, the delivery stub portion and the proof of delivery stub portion will be routed to the machine records department attached.

4. MATERIAL AVAILABLE FROM EXPECTED RECEIPTS (DUES)

a. Stock Control Branch. If none of the material to be transferred is in stock but is expected to be received within a reasonable length of time which will be determined locally, the credit shop store issue card will be inscribed in ink with the letters "NIS-DUE", the identifying document number of the request covering the material on order, and the expected arrival date. The card will be returned to the shop store records section. A blank item detail card will be mark sensed with the quantity and transaction code S and will be inscribed in ink across the left end with the shop store number and order set document number. The card will be offset behind the appropriate stock status balance card. The card will be returned the following morning with other obligation cards and will be filed in the obligation card file. The order set item detail card will be filed in a suspense file to await receipt of material.

b. Shop Store Records Section. Upon receipt of the credit shop store issue card marked "NIS-DUE", a blank shop store issue card will be mark sensed with the quantity, balance sheet caption code 8, and transaction code W and will be offset behind the appropriate shop store balance card. The credit shop store issue card will be filed in the due card file for the particular shop store.

c. Stock Control Branch. When material is received for which a shop store obligation has been established, the stock reviewer will pull the obligation card and order set item detail card from their respective files. The item detail card will be mark sensed with the quantity being transferred and transaction code E, and will be offset behind the stock status balance card. The obligation card will be inscribed with the unit price and stores

account and forwarded to the shop store records section.

d. Shop Store Records Section. Upon receipt of an obligation card from the stock control branch signifying that material is available for transfer, the stock reviewer will pull the order set credit shop store issue card from the due card file. The unit price will be checked and, when necessary, a new shop store balance card will be obtained as described in subpar. 3b. When an appropriate shop store balance card is available, the order set credit shop store issue card will be mark sensed with transaction code J and the quantity being transferred, based on the shop store unit of issue, and will be offset behind the shop store balance card. The obligation card will be destroyed.

5. PROCUREMENT REQUIRED

a. Shop Store Records Section. When it is not known that procurement action will be required to effect shop store replenishment, a set of order cards will be prepared and forwarded to the stock control branch as described in subpar. 2b.

b. Stock Control Branch. If the material required for transfer is not carried or is not in stock, and material on order cannot be expected within a reasonable length of time, the stock reviewer will destroy the prepunched item detail card. The credit shop store issue card will be inscribed with the letters "NC" or "NIS" as appropriate, the word "PROCURE", and the stock status data for the item, and will be returned to the shop store records section. If a stock status balance card is maintained for the item requested, a blank item detail card will be mark sensed with the quantity requested, balance sheet caption code 8, and transaction code Y, and will be offset behind the stock status balance card to record the demand. If a stock status balance card is not maintained for the item, the demand will be recorded on a historical record card.

c. Shop Store Records Section. When it is known that procurement is required, a DOD Single Line Item Requisition System Document (DD Form 1348) will be prepared containing the following information:

1. date,
2. shop store number,
3. replenishment document number (as shown on credit shop store issue card returned by stock control branch),
4. complete accounting data,
5. stock number of item,
6. description of item,

7. quantity required,
8. unit of issue.

The signature of a person authorized to approve replenishment station requisitions requiring purchase action will be obtained. The priced copy will be forwarded to the funds administrator for obligation purposes. One copy of the station requisition will be retained in a suspense file for matching against the action copy returned by the procurement branch. An information copy may be forwarded to the shop store concerned, if desired. The original and remaining copies of the station requisition will be forwarded to the procurement branch via the financial editing unit. A blank item detail card will be mark sensed with the quantity ordered, balance sheet caption code 8, and transaction code W and will be offset behind the shop store balance card to record the quantity due. The prepunched credit chop store issue card will be destroyed.

d. Procurement Branch. Following procurement action, a copy of the station requisition will be inscribed with the procurement document number and returned to the shop store records section. The original and remaining copies of the station requisition with necessary copies of the procurement document will be forwarded to the receipt control branch.

e. Receipt Control Branch. The station requisition and copies of the procurement document will be placed in an open order folder. Upon receipt of material the original of the station requisition and a priced copy of the receipt document will be forwarded to the shop store records section. Three copies of the station requisition and necessary copies of the receipt document will be forwarded to the receiving section. When material requires inspection, documents will not be forwarded until material has been inspected.

f. Traffic Branch. Following inspection, when required, the material will be delivered to the appropriate shop store. One copy of the station requisition will be used for driver control and another copy will be used as proof of delivery. Any discrepancies will be noted on the proof of delivery copy and, after matching with the driver control copy, will be forwarded to the investigation and correction unit. Proof of delivery copies which do not indicate discrepancies will be forwarded to the receipt control branch after matching with the driver control copy.

g. Shop Store Records Section. Upon receipt of an original station requisition and a priced copy of a receipt document, the action copy of the station requisition will be removed from the suspense file and destroyed except

when partial delivery has been made. When partial delivery has been made, the action copy will be annotated with any necessary changes and returned to the suspense file. The shop store number will be entered on the receipt document and the original of the station requisition will be destroyed. The unit price at which the material will be carried in shop stores will be determined. Any loss or gain by price adjustment will be entered on the appropriate S. and A. Form 448 maintained by the shop store records unit. A new shop store balance card will be obtained if required. A blank credit shop store issue card will be mark sensed with the quantity received, based on the shop store unit of issue, transaction. code J and balance sheet caption code A or C, as appropriate, and will be offset behind the shop store balance card. The priced copy of the receipt document will be forwarded to the machine records department for preparation of financial detail cards as described in par. 25641-3c.

25635 EMERGENCY REPLENISHMENT

1. GENERAL. Emergency replenishment procedures should be employed only when delivery of material to a shop store cannot wait until the following work day morning. When emergency replenishment of shop store stock has been determined to be necessary, the shop storeman will notify the shop store records section of the material required by the most expeditious means available.

2. PROCESSING OF ORDER CARD SETS

a. Shop Store Records Section. Upon notification that emergency replenishment of an item is required, the stock reviewer will determine the quantity required, based on the standard unit of issue, and will prepare a set of prepunched order cards as described in par. 25634-2b. In addition, across the left end of each card will be inscribed in ink the word "Emergency". The stock reviewer will check with the stock control branch as to the availability of material. If material is not available, the item detail card will be destroyed and the procedure outlined in par. 25634-5 will be followed. If material is available, the item detail card will be left with the regular supply stock reviewer and the unit price and stores account will be entered on the credit shop store issue card. A Shop Store Replenishment Card (S. and A. Form 807) will be prepared manually ~~by~~ inscribing in ink the following data thereon (Some entries will appear more than once.):

1. shop store number,
2. stock number,
3. brief description,

4. quantity,
5. standard unit of issue,
6. document number as obtained from the order set,
7. date.

The shop store replenishment card will be given to the person expediting delivery of material or will be sent by special messenger to the storage branch. The credit shop store issue card will be processed as outlined in par. 25634-3b. In addition, special mark sense oval No. 1 will be mark sensed. This will indicate to the machine records department that a shop store replenishment card is not to be prepared mechanically.

b. Stock Control Branch. The item detail card will be mark sensed with transaction code A and the quantity being transferred, and will be offset behind the corresponding stock status balance card.

25636 SHOP STORE ISSUE

1. GENERAL. A Shop Store Issue Card (S. and A. Form 806) will be used in lieu of a Request for Issue or Turn-in (DD Form 1150) in effecting issues from shop stores. A supply of prepunched shop store issue cards will be furnished to each shop and unit for purposes of obtaining material. These cards will be prepunched with transaction code A and balance sheet caption code H.

2. SHOP OR UNIT REQUIRING MATERIAL. Personnel requiring an item of material from shop stores will prepare a 3. and A. Form 806, obtain the signature of a person authorized to approve issues, and present the card to the appropriate shop store for issue of material. Cards will be inscribed in ink with the following data:

1. shop store number;
2. complete stock number, if known;
3. brief description of item;
4. quantity required;
5. unit of issue;
6. hull number, plane type, or job title, if appropriate;
7. job order number or job code.

3. SHOP STORE

a. Material Available for Issue. Upon receipt of a shop store issue card, the shop storeman will issue the material requested, obtaining the signature and shop or unit number of the person receiving the material. The shop storeman will sign the shop store issue card in ink, signifying that issue has been effected, and will insure that the stock number, quantity, shop store unit of issue, and shop store num-

ber accurately reflect the item issued from the shop store concerned. When the days workload permits, the shop storeman will mark sense each shop store issue card with the job order number and quantity and will forward the cards to the shop store records section. At activities where workload makes it impracticable for shop storeman to mark sense shop store issue cards, the cards may be forwarded to the machine records department for key punching or to the shop store records section for mark sensing.

b. Material not Available for Issue. When material requested on a shop store issue card is not available and substitute item will not suffice or the item is not available from an adjacent shop store, the shop storeman will take steps to expedite delivery of the requested item from regular supply department stocks and effect issue. If supply department stocks are temporarily exhausted or the item is not carried, the shop storeman will advise the requester to submit a station requisition for interim procurement action, if justified. The shop store issue card will be inscribed with the letters "NIS" or "NC" as appropriate and will be returned to the requester.

4. SHOP STORE RECORDS SECTION. Upon receipt of the shop store issue cards, distribution will be made to the stock record unit for the shop store concerned. The stock reviewers will insert each shop store issue card behind the corresponding shop store balance card and both cards will be offs et.

25637 RETURN OF MATERIAL TO SHOP STORE FOR CREDIT

1. GENERAL. A Shop Store Issue Card (Credit) (S. and A. Form 806) will be used to return material to shop stores for credit. A supply of prepunched cards will be provided each shop and unit for purposes of returning material. These cards may be prepunched with transaction code B or D.

2. SHOP OR UNIT RETURNING MATERIAL. When it is determined that material which has been drawn from shop store is not required or when it is determined that excess shop material should be stocked in shop stores, a shop store issue card (credit) will be inscribed in ink as follows:

1. shop store number;
2. complete stock number, if known;
3. brief description of item;
4. quantity;
unit of issue;
6. hull number, plane type, or job title, if appropriate;
7. job order number or job code to be credited.

The signature will be obtained on the card, in ink, of a person authorized to approve issues and the card and the material will be delivered to the shop store.

3. **SHOP STORE.** If the material is in all respects fit for reissue, the shop storeman will accept the material, sign the credit shop store issue card, and insure that the card accurately reflects the item received in the shop store concerned. When the days workload permits, the shop storeman will mark sense each credit shop store issue card with the job order number and quantity and will forward the cards to the shop store records section. At activities where the workload makes it impracticable for shop storemen to mark sense credit shop store issue cards, the cards may be forwarded to the machine records department for key punching or to the shop store records section for mark sensing.

4. **SHOP STORE RECORDS SECTION.** Upon receipt of the credit shop store issue cards, distribution will be made to the stock record unit for the shop store concerned. The stock reviewers will mark sense each credit shop store issue card with balance sheet caption code A or P, as appropriate, and will insert each card behind the corresponding shop store balance card and offset both cards.

25638 RETURN OF MATERIAL TO SUPPLY DEPARTMENT STOCKS

1. **GENERAL.** The Shop Store Replenishment Card (Credit) (S. and A. Form 807) will be used in transferring material from shop stores to supply department stocks.

2. PROCESSING OF TRANSFER CARD SETS

a. **Machine Records Department.** A supply of prepunched sets of transfer cards will be furnished the shop store records section. A set of transfer cards will consist of a Shop Store Issue Card (S. and A. Form 806) and an Item Detail Card (S. and A. Form 791). Each set of cards will be prepunched with a document number, balance sheet caption code zero, and the appropriate transaction code. The item detail card will be stamped with the word "Credit".

b. **Shop Store Records Section.** When determination has been made that material carried in shop store is in excess of normal requirements, a set of transfer cards will be selected and the item detail card will be forwarded to the stock control branch. On the left end of the item detail card will be inscribed the stock number, quantity,

standard unit of issue, and the account. The shop store number will be mark sensed in the activity or shop number field. The shop store issue card will be mark sensed with the quantity being expended and will be offset behind the appropriate shop store balance card.

c. **Stock Control Branch.** Upon receipt of an item detail card the stock reviewer will determine if the item is acceptable for return to regular stock. If the item is acceptable for regular stock, the item detail card will be mark sensed with the quantity being transferred and will be offset behind the stock status balance card. If the item is not acceptable for regular stock, the item detail card will be inscribed with the words "Not acceptable for regular stock" and returned to the shop store records section.

d. **Machine Records Department.** Following the preparation of the daily transaction ledgers and creation of new shop store balance cards and stock status balance cards as described in pars. 25641-1 and 24301, the machine records department will create shop store replenishment cards (credit) from the offset item detail cards as outlined in par. 25641-2. The credit shop store replenishment cards will be forwarded to the respective shop stores to effect transfer of material.

3. TRANSFER OF MATERIAL

a. **Shop Store.** The shop storeman will assemble material to be transferred, segregating material by stores unit location. If the exact quantity is not available for transfer, the quantity being transferred will be entered on both the delivery and proof of delivery portions of the credit shop store replenishment card. Upon release of material to the delivery section, receipt will be obtained on the driver control portion of the card. The driver control portion of the card will be detached and forwarded to the traffic branch.

b. **Traffic Branch.** The delivery section will deliver the material to the appropriate stores unit obtaining receipt on the proof of delivery portion of the credit shop store replenishment card. The proof of delivery stubs will be matched with the driver control stubs. After matching, the driver control stubs will be destroyed. The proof of delivery stubs will be forwarded to the issue control branch for filing except where discrepancies are indicated. In these cases the proof of delivery stubs will be routed to the machine records department, investigation and correction unit, for corrective action.

c. Storage Branch. Upon receipt of material the storeman will check for accuracy and acceptability of material and will sign the proof of delivery portion of the credit shop store replenishment card. When there is a discrepancy in the quantity received or when the material is unacceptable for stock, the quantity received or acceptable will be entered on the proof of delivery portion of the replenishment card. Unacceptable material will be set aside to await disposal instructions.

25639 REDISTRIBUTION OF MATERIAL BETWEEN SHOP STORES

1. GENERAL. The Shop Store Replenishment Card (Credit) (S. and A. Form 807) will be used in redistributing material between shop stores.

2. PROCESSING OF REDISTRIBUTION CARD SETS

a. Machine Records Department. A supply of prepunched sets of redistribution cards will be furnished to the shop store records section. A set of redistribution cards will consist of a Shop Store Issue Card (S. and A. Form 806) and a Shop Store Issue Card (Credit) (S. and A. Form 806). Each set of cards will be prepunched with a document number, balance sheet caption code zero, and a special attention X punch in column 40. In addition, the expenditure card will be prepunched with transaction code C and the receipt (credit) card will be prepunched with transaction code L.

b. Shop Store Records Section. When determination has been made that material carried in a shop store is to be redistributed to another shop store, a set of redistribution cards will be prepared to effect transfer of material. The stock reviewer expending the material will mark sense the expenditure shop store issue card with the quantity being transferred and the receiving shop store number in the units and tens position of the job order number field, and will offset the card behind the appropriate shop store balance card. The credit shop store issue card will be inscribed in ink with the receiving shop store number, stock number, quantity, shop store unit of issue, shop store unit price, and stores account. The credit shop store issue cards will be forwarded to the stock reviewer, maintaining the stock review file for the shop store receiving the material. The stock reviewer expending the material will inscribe a Shop Store Replenishment Card (Credit) (S. and A. Form. 807) in ink in the blocks provided with the number of the shop store transferring the material, complete stock number, brief

description, quantity being transferred, document number, shop store unit of issue, and the date. The three portions of the credit shop store replenishment card will be rubber stamped or inscribed in large letters with the words "Deliver to shop store No. _____" and the card will be forwarded to the shop store transferring the material. The stock reviewer receiving the credit shop store issue card will compare the unit price entered on the credit shop store issue card with the unit price on the shop store balance card. When the prices do not agree the stock reviewer will determine the new unit price and obtain a new shop store balance card as outlined in par. 25634-3b. When an appropriate shop store balance card is available, the credit shop store issue card will be marked with the quantity being transferred and will be offset behind the shop store balance card.

3. TRANSFER OF MATERIAL

a. Shop Store Transferring Material. The shop storeman will assemble material to be transferred segregating material by shop store. If the exact quantity is not available for transfer, the quantity being transferred will be entered on both the delivery and proof of delivery portions of the credit shop store replenishment card. Upon release of material to the delivery section, receipt will be obtained on the driver control portion of the card. The driver control portion of the card will be detached and forwarded to the traffic branch.

b. Traffic Branch. The delivery section will deliver the material to the appropriate shop store obtaining receipt on the proof of delivery portion of the credit shop store replenishment card. The proof of delivery stubs will be matched with the driver control stubs. After matching, the driver control stubs will be destroyed. The proof of delivery stubs will be forwarded to the issue control branch for filing except where discrepancies are indicated. In these cases, the proof of delivery stubs will be routed to the machine records department, investigation and correction unit, for corrective action.

c. Shop Store Receiving Material. Upon receipt of material, the shop storeman will sign the proof of delivery portion of the credit shop store replenishment card. When there is a discrepancy between the quantity received and the quantity indicated on the credit shop store replenishment card, the quantity received will be entered on the proof of delivery portion of the replenishment card.

25640 MISCELLANEOUS TRANSACTIONS

1. QUANTITY ADJUSTMENTS--SHOP STORE BALANCE CARD. Adjustment of the

on hand balance, quantity due, or previous demands on a Shop Store Balance Card (S. and A. Form 805) will be effected by mark sensing a Shop Store Issue Card (S. and A. Form 806) with the adjustment amount, balance sheet caption code 8, and the appropriate transaction code, and by offsetting this card behind the shop store balance card. As a change in the on hand balance normally requires a corresponding change in the financial inventory control records, adjustments of this type are exceedingly rare. Adjustments of the on hand balance will not be made by stock reviewers without the approval of the shop store records section supervisor.

2. CHANGES IN COGNIZANCE SYMBOL, FRACTION CODE, STOCK NUMBER, OR STORES ACCOUNT. Normally, shop store balance cards are not changed when cognizance symbols, fraction codes, stock numbers, or stores accounts change *on* stock status balance cards for identical items in regular supply stocks. However, when replenishment of a shop store item indicates that one or more of these factors has changed for the regular supply item, it will sometimes be found desirable to consolidate the shop store stock on one shop store balance card containing the changed factors. When this occurs, the stock reviewer will submit a new item request form to the machine records department for preparation of a shop store balance card. Upon receipt of a new shop store balance card, a blank credit shop store issue card will be mark sensed with the quantity being transferred, balance sheet caption code 8, and transaction code L and will be offset behind the new shop store balance card. Another shop store issue card will be mark sensed with the quantity being transferred, balance sheet caption code 8, and transaction code C and will be offset behind the old shop store balance card. When appropriate, the previous demands, dues, and safety level will be transferred to the new shop store balance card. A notification will be forwarded to the shop store concerned regarding changes to bin tags and locator files. In the case of stock number changes, losses or gains by price adjustment will be recorded on the appropriate *P r i c e C h a n g e A d j u s t m e n t S h e e t* (NavSup Form 448) maintained by the shop store records unit. In the case of cognizance symbol or stores account transfers, a memorandum will be submitted to the financial inventory control section for preparation of invoices and adjustment of the financial inventory records.

3. REVIEW AND ADJUSTMENT OF SAFETY LEVELS. Since replenishment of shop store stock is made when the stock of any item reaches the safety level, safety levels on shop store balance cards must be reviewed

periodically and adjusted when necessary to provide for timely stock replenishment (see par. 25605). Upon receipt of a safety level review list, prepared by the machine records department as outlined in par. 25641-4, the shop store supervisor will review the safety level established for each item and indicate desired changes. The marked-up list will be forwarded to the shop store records unit concerned for adjustment of safety levels appearing on the shop store balance cards. The stock reviewer will select from the stock review file shop store balance cards requiring adjustment. The preceding card will be offset in the stock review file for each shop store balance card removed. The new safety level will be inscribed on each shop store balance card and the cards will be forwarded to the machine records department for preparation of new cards.

4. PROCESSING OF EXCESS LISTS. Since the stock of any item in shop stores at no time should exceed the quantity prescribed in par. 25602, shop store stocks must be reviewed periodically so that excess stocks can be returned to regular supply department stocks. Upon receipt of a shop store excess list prepared by the machine records department as outlined in par. 25641-4, the shop store supervisor, will review the list to determine the quantity of each item that should be returned to regular supply department stocks. In making this review the shop store supervisor will be guided, among other factors, by past demands, possible seasonal fluctuation of demands, future production schedules and, when considered advisable, the opinions of the shop masters or key personnel of activities supported by the shop store. As each item on the list is reviewed, the shop store supervisor will indicate the amount, if any, that is to be returned to regular supply department stocks or redistributed to another shop store. The marked-up list will be forwarded to the shop store records unit concerned for transfer of excess stocks in accordance with par. 25638 or 25639, as appropriate.

25641 MACHINE RECORDS PROCEDURES

1. PREPARATION OF DAILY TRANSACTION LEDGER, NEW SHOP STORE BALANCE CARDS, AND SPECIAL ATTENTION CARDS

a. Shop Store Records Section. At the time prescribed each work day, all offset Shop Store Balance Cards (S. and A. Forms 805) and Shop Store Issue Cards (S. and A. Forms 806) will be selected from the stock review file. The preceding card will be offset for each shop store balance card removed. The selected cards will be assembled by the shop store records unit and forwarded

to the machine records department. The sequence of the cards will not be disturbed in these operations. If a shop store is scheduled for an inventory cutoff or a quarterly review, the remaining shop store balance cards for that shop store will be placed in separate trays, appropriately labeled, and forwarded to the machine records department.

b. Machine Records Department

(1) Processing of Shop Store Issue Cards. The shop store issue cards will be intersperse gangpunched from the shop store balance cards with the shop store number, local code if applicable, stores account, stock number, description, unit of issue, and unit price. Simultaneously, the current date will be emitted into the shop store issue cards and the transaction code, balance sheet caption code, job order number, special ovals, and quantity will be mark sense punched. Control will be maintained on an X punch common to all shop store issue cards. The double punch and blank column detection device will be set on the transaction code and the units position only of the quantity. Any shop store issue card errors that are detected and cannot be resolved will be forwarded to the investigation and correction unit.

(2) Preparation of Transaction Ledger and Shop Store Balance Cards. The transaction ledger will be prepared by detail printing the shop store balance cards and the shop store issue cards. New shop store balance cards will be summarized simultaneously for each change in stock number, local code, cognizance symbol, fraction code, and stores account. The current date will be emitted into the new shop *store* balance cards. A proof tabulation will be prepared to insure the accuracy of the new shop store balance cards. The old shop store balance cards will be destroyed. For processing of shop store issue cards, see subpar. 2.

(3) Preparation of Special Attention Cards. New shop store balance cards will be selected which have a low limit quantity equal to or in excess of the on hand quantity. The cards will be reproduced into Shop Store Balance Cards (Special Attention) (S. and A. Forms 805). The new shop store balance cards and the special attention cards will be interpreted and forwarded to the shop store records section with the transaction ledger. For shop store balance cards required for physical inventory procedures, see NAVSUPINST 4440.115 (series).

2. PROCESSING OF SHOP STORE ISSUE CARDS AND PREPARATION OF SHOP STORE REPLENISHMENT CARDS

a. Recessing of Shop Store Issue Cards

(1) General. Following the preparation of the transaction ledger, shop store issue cards will be sorted into three groups: expenditures, receipts, and miscellaneous. The miscellaneous cards will be forwarded to the historical file.

(2) Expenditures. Expenditure shop store issue cards will be sorted by balance sheet caption code. Cards containing balance sheet caption codes 8 and K will be forwarded to the historical file. Cards containing balance sheet caption code 2 will be forwarded to the financial inventory control section for preparation of monthly adjustment invoices. Cards containing balance sheet caption codes A, H, and P will be held for preparation of the Financial Detail (NAVSUP Forms 1162). Cards containing balance sheet caption code zero will be held for preparation of Shop Store Replenishment Cards (S. and A. Form 807).

(3) Receipts. Receipt shop store issue cards will be sorted by balance sheet caption code. Cards containing balance sheet caption codes 8, A, C, and K will be forwarded to the historical file. Cards containing balance sheet caption code 2 will be forwarded to the financial inventory control section for preparation of monthly adjustment invoices. Cards containing balance sheet caption code zero will be held for preparation of shop store replenishment cards.

b. Reparation of Shop Store Replenishment Cards. Shop store issue cards containing balance sheet caption code zero will be sorted into document number order and cards containing a special attention X punch will be selected and held aside for further processing. The nonselected cards will be matched by document number with the Item Detail Cards (NAVSUP Forms 791) containing balance sheet caption code zero used in the preparation of the regular supply transaction ledger. Matched shop store issue cards will be forwarded to the historical file. Unmatched shop store issue cards will be forwarded to the investigation and correction unit. The matched item detail cards will be sorted by transaction code. The expenditure item detail cards will be reproduced into shop store replenishment cards which will be interpreted and forwarded to the storage branch. The receipt item detail cards will be reproduced into credit shop store replenishment cards which will be forwarded to the shop store concerned. The item detail cards will be held for preparation of financial detail cards. The shop store issue cards containing special attention X punches will be sorted on a significant digit of the document number to select the receipt and expenditure

cards representing transfers between shop stores. The selected cards will be sorted by transaction code. The receipt cards will be forwarded to the historical file. The expenditure cards will be held for preparation of financial detail cards. The nonselected shop store issue cards and the previously unmatched item detail cards will be matched by document number. Unmatched cards of both groups will be forwarded to the investigation and correction unit. The matching shop store issue cards will be forwarded to the historical file. The matching item detail cards will be held for preparation of financial detail cards.

3. PREPARATION OF FINANCIAL DETAIL CARDS

a. From Item Detail Cards. Item detail cards representing transfers of material between regular supply stocks and shop stores will be extended, quantity times unit price, and the extension will be punched and verified in each card. The item detail cards will be reproduced into financial detail cards to reflect expenditures and receipts in the financial inventory control records for regular supply stocks. The financial detail cards will be reproduced into a second set of financial detail cards to reflect corresponding receipts and expenditures in the financial inventory control records of the respective shop stores. The financial detail cards will contain balance sheet caption code 5 and the appropriate receipt or expenditure transaction code. The financial detail cards will be forwarded to the financial inventory control section for inclusion in the daily statement. The item detail cards will be forwarded to the historical file.

b. From Shop Store Issue Cards. Shop store issue cards representing transfers of material between shop stores issues from shop stores, or return of material to shop stores will be extended, quantity times unit price, and the extension will be punched and verified in each card. The shop store issue cards representing transfers between shop stores will be reproduced into two sets of financial detail cards to reflect the receipts and expenditures in the financial inventory control records of the shop stores concerned. The financial detail cards will contain balance sheet caption code 5 and the appropriate receipt or expenditure transaction code. The shop store issue cards representing issues from shop stores or return of material to shop stores will be reproduced into financial detail cards to reflect the charges and credits in the financial inventory control records of the shop stores concerned. The financial detail cards will contain the balance sheet caption code and transaction code appearing in the shop store issue card except

in the case of issues to other than station use. In these cases, balance sheet caption code H will be changed to the appropriate balance sheet caption code as indicated by the local system of numbering job orders. The financial detail cards will be forwarded to the financial inventory control section for incorporation in the daily statement. The shop store issue cards will be forwarded to the historical file.

c. From Receipt Documents. Receipt documents forwarded to the key punch unit from the shop store records section will be separated into two groups; receipts from purchase and receipts from other supply officers. A financial detail card will be key punched for each document covering receipts from purchase. The financial detail cards will contain transaction code J, balance sheet caption code A, stores account code, cognizance symbol, fraction code if applicable, class 203 designator X punch, shop store number, receipt document number, billed amount, and date. The number of financial detail cards required for documents covering receipts from other supply officers will depend on whether the receipt must be processed through the appropriate two digit class financial inventory control record. When a receipt does not have to be processed through a two digit class, one financial detail card will be key punched for each invoice in the same manner as prescribed for receipts from purchase except that balance sheet caption code C will be utilized. When a receipt must be processed through a two digit class, three financial detail cards will be prepared for each invoice. One card will cover the receipt into the two digit class and will contain transaction code L, balance sheet caption code C, stores account code, cognizance symbol, fraction code if applicable, class or federal group, activity accounting number, invoice number, billed amount, and date. A two digit class expenditure financial detail card will be punched with the same information except that it will contain transaction code C and balance sheet caption code 5. A third financial detail card will be punched to cover the receipt into class 203. This card will contain transaction code J, balance sheet caption code 5, stores account code, cognizance symbol, fraction code if applicable, class 203 designator X punch, shop store number, invoice number, billed amount, and date. The financial detail cards will be interpreted, and forwarded with the receipt documents to the financial inventory control section for incorporation in the daily statement.

4. PREPARATION OF EXCESS AND SAFETY LEVEL REVIEW LISTS

a. General. At 90 day intervals, excess and safety level review lists, based on the average of the preceding four quarters of usage data,

will be prepared for each shop store from the shop store balance cards. Shop store balance cards for insurance items will be included annually or quarterly in accordance with the review criteria in par. 25602-3a. The lists for the various shop stores should be prepared on a staggered basis to permit an even workload throughout each quarter.

b. Shop Store Records Section. Quarterly, at the end of the day on the established date, following pulling of offset shop store balance cards and shop store issue cards, the remaining shop store balance cards for the shop store concerned will be pulled and forwarded to the machine records department.

c. Machine Records Department

(1) General. Following the preparation of the daily transaction ledger and creation of new shop store balance cards, the new shop store balance cards will be interfiled with the remainder of the shop store balance cards for the shop store concerned. The shop store balance cards will be reproduced into new cards with the exception of the demand field which will be left blank. The new cards will be interpreted and forwarded to the shop store records section.

(2) Safety Level Review List. A list will be prepared from the old shop store balance cards. The list will show:

1. shop store number,
2. stores account code,
3. cognizance symbol,
4. fraction code if assigned,
5. stock number and description,
6. shop store unit of issue,
7. on hand balance,
8. demand,
9. safety level.

The list will be marked "Safety level review list shop store No. _" and will be forwarded to the shop store supervisor for review and adjustment of safety levels as outlined in par. 25640-3.

(3) Excess List. From the old shop store balance cards will be selected cards in which the on hand balance is greater than the demand. The selected cards will be reproduced into work cards containing shop store number, stores account code, stock num-

ber and description, shop store unit of issue, on hand balance, quantity due, demand, date of last transaction, and unit price. The excess of each item will be calculated by adding the on hand balance to the quantity due and subtracting the demand. The value of the excess will be determined by multiplying the excess quantity times the unit price. A tabulated list will be prepared from the work cards as follows:

1. shop store number,
2. stores account code,
3. cognizance symbol,
4. fraction code if assigned,
5. stock number and description,
6. shop store unit of issue,
7. unit price,
8. date of last transaction,
9. on hand balance,
10. quantity due,
11. demand,
12. excess,
13. money value of excess.

The total money value of the excess will be accumulated and shown at the bottom of the list. The list will be marked "Excess list-shop store No. _" and will be forwarded to the shop store supervisor for processing in accordance with par. 25640-4.

5. PREPARATION OF SHOP STORE STOCK LISTS. Normally, shop store stock lists will be made in conjunction with the excess and safety level review lists outlined in subpar. 4, thereby permitting the machine records department to produce all lists at one time. Shop store stock lists will be prepared by listing the shop store balance cards for a shop store as follows:

1. shop store number,
2. stores account code,
3. cognizance symbol,
4. fraction code if assigned,
5. stock number and description,
6. shop store unit of issue,
7. unit price,
8. safety level.

In addition, the on hand balance may be shown if desired. The list will be forwarded to the shop store supervisor for distribution to the planning department, or other components concerned with material stocked in shop stores. When considered desirable, a composite list in stock number order may be made from the shop store balance cards of all shop stores.

25643 INDUSTRIAL-COMMERCIAL ACTIVITIES

Activities operating under the Navy Industrial Fund may modify the mechanized shop store pro-

cedures prescribed in pars. 25630-25641 as necessary to comply with the instructions of the Navy Industrial Fund Handbook for the activity concerned regarding shop store operations as outlined in par. 25616.

Section III: READY SUPPLY STORES

25660 GENERAL

1. **DEFINITION.** A ready supply store is a retail outlet physically located at one naval command to provide customer support, yet supported and accounted for by another naval command.

2. **CONCEPT.** Ready supply stores are established at activities where it is more economical to provide material support through a retail outlet than to require the activity to receive, store, and issue material in regular stores accounts and render stores returns.

25661 ESTABLISHMENT OF READY SUPPLY STORES

1. **APPROVAL.** All requests for establishment of ready supply stores will be reviewed and approved by the Commander, Naval Supply Systems Command. Activities desiring to establish a ready supply store will submit a letter request for approval to the Commander, Naval Supply Systems Command (SUP 04) via the designated area supply support activity and the primary support bureau, systems command, or office. As a minimum, each request for approval to establish a ready supply store will contain a narrative statement indicating the reason that a ready supply store operation is considered the most appropriate method to provide required support together with the following information:

1. physical location of ready supply store;
2. distance of ready supply store from supply supporting activity;
3. total number of line items and dollar value of items to be established by cognizance symbol;
4. total number of line items and dollar value of items by cognizance in item 3, not to be backed up by supply supporting activity;
5. estimated dollar value by cognizance symbol of funding required by the supply sup-

porting activity to provide back-up stock for the ready supply store;

6. requested start-up date.

2. **RESOURCES.** If the supply supporting activity requires additional personnel to accomplish the requisite supply and financial functions in support of the ready supply store, endorsements by the primary support bureau, systems command, or office of the requesting activity must indicate that adequate resources can be provided. The parent bureau, systems command, or office of the supply supporting activity will negotiate with the parent bureau, systems command, or office of the requesting activity for additional resources if required and a budget base transfer will be effected from the requesting activity to the supporting activity.

3. **RESPONSIBILITY.** When a supply officer is assigned to an activity where ready supply stores are operated, he is responsible to the local command for control and management of inventories required for activity support. When a supply officer is not assigned, the local command will designate a qualified administrator for operation of the ready supply stores. The supply supporting activity will furnish supply support and financial accounting control for the ready supply store. This should also include assisting the ready supply store with functions required under par. 25662-3. The supply supporting activity is responsible for prudent inventory management at the ready supply store. This includes any ready supply store actually operated by a commercial contractor. In this case, the supply supporting activity must designate a naval officer or civilian who is responsible for "protecting the interests of the Navy.

4. **STOCK LEVELS.** Ready supply stores and their supply supporting activity will jointly establish high and low limits for all NSF material in their ready supply stores. The guidance contained in par. 26632, Table II, will be applied to all Special

Accounting Class 203 categories of NSF material unless directives from higher authority dictate otherwise. A coordinated effort will be performed to identify NSF material to be carried in the ready supply store and NSF material to be backed up in

main supply at the supply supporting activity. Stock levels for APA material/Depot Level Repairable (DLRs) will be established in accordance with instructions issued by the cognizant inventory manager. ↓
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25662 OPERATION OF READY SUPPLY STORES

1. **GENERAL.** Ready supply stores are operated under the principles established for shop stores in pars: 25600-25617 and as modified in subpars. 2 through 12.

2. **PERSONNEL.** Personnel to administer and operate ready supply stores will be assigned by the activity where the ready supply stores are located. If the supply supporting activity needs additional personnel, they are identified and negotiated under par. 25661-1 procedures.

3. **STOCK REQUIREMENTS.** Activities operating ready supply stores will compute NSF retail material stock requirements under par. 26632, Table II, and as detailed in FMSOINST 4400.12 series. Requisitions for stock replenishment cannot exceed these stockage objectives. Approval for numerical stockage objectives and prepositioned war reserve material is given by the supply supporting activity following funding authorization from the appropriate NSF project manager. Applicable "Exhibit IV-C" for numerical stockage objective items will be prepared and forwarded to the NSF project manager in accordance with FMSOINST 4400.12 series. Supply supporting activities must periodically review stock levels of the ready supply store, taking into consideration NSO and PWRMS items to ensure stock levels agree with authorized levels. When applicable, if actual levels exceed authorized levels, a percentage drawdown may be applied to sales replacement dollars if suballocated to the ready supply store under quarterly planning targets issued by the supply supporting activity.

4. **NEW ITEMS.** The criterion for adding new items to ready supply stores stock is the same as main supply; e.g., a minimum of three frequencies of demand, within a six-month period for NSF retail material.

5. MATERIAL RESPONSIBILITY

a. **General.** The supply officer or ready supply stores administrator is responsible for the storage, security, and inventory control of all stock material in his custody. The stock levels to be maintained will be established according to subpar. 3.

b. **Stowage.** Although ready supply stores material should be stored within the physical confines

of the ready supply stores, it may, in some instances, be more practical to store certain items in spaces under the control of another supported activity. When ready supply stores material is stored in another activity's spaces, the supply officer or ready supply stores administrator will exercise inventory control of such material in accordance with subpars. c, d, and e.

c. **Authorization of Commanding Officer.** When ready supply stores material is stored in spaces controlled by another activity, the supply officer or ready supply stores administrator will obtain the commanding officer's authorization for storage of such material in another activity's spaces. The authorization will delineate the supply officer's or ready supply stores administrator's responsibilities relative to procedural instructions, stock replenishment, physical inventory, and the maintenance of stock records; and will delineate the custodial activity head's responsibilities relative to storage, security, issues, physical inventory, and the maintenance of locator records.

d. **Designation of Custodian.** When ready supply stores material is authorized to be stored in another activity's spaces, the activity head controlling the space in which such material is stored will designate (in writing, to the supply officer or ready supply stores administrator) a custodian of the material carried. A copy of the authorization will be provided each activity head concerned. The storing activity's custodian must be a reliable person whose knowledge, experience, or training qualify him to perform supply functions normally required of ready supply stores personnel. The supply officer or ready supply stores administrator will provide other activity custodians with explicitly written instructions for assisting them in the proper performance of assigned functions.

e. **Maintenance of Records.** The supply officer or ready supply stores administrator will maintain stock records or EAM/ADP equivalent for all stocked material stored in another activity's spaces, and will provide each activity's custodian with a machine list or a set of Stock Record Cards (NAVSUP Forms 766) applicable to the stocked items in his custody. The storing activity's custodian does not need to maintain any records, other than locator records, but is responsible for the prompt submittal of completed transaction documents to the supply officer or ready supply stores administrator for the update of applicable stock records.

▼ 6. ITEM DISESTABLISHMENT. The criterion for deleting carried items is when no demands have been experienced in 12 months. Demand based carried items must be reviewed for possible deletion on a semi-annual basis. Periodic review of nondemand based NSOs is required on an annual basis for possible deletion. Those items no longer qualifying for stockage must be turned into the supply supporting activity immediately along with a listing of those items being deleted to enable the supply supporting activity to check back-up stock positions and reduce supply actions as necessary. Any nonstandard material is to be surveyed directly to DPDO vice turn-in to the supply supporting activity.

7. REQUISITIONING CHANNELS. Requisitions for material carried in the ready supply store will normally be submitted to its supply supporting activity except for:

1. material in cogs not carried in the supply supporting activity's inventory;
2. specific requirements such as initial outfitting requirements for which specific requisitioning channels are promulgated by type commanders or COMNAVSUPSYSCOM in applicable fleet requisitioning guides or NAVSUP Manual, Volume II, Chapter 2, respectively;
3. other material for which specific agreements on requisitioning channels have been reached between NAVSUP and the cognizant integrated material manager;
4. local unique nonstandard items, not backed up by the supply supporting activity, authorized for local purchase by the ready supply store.

NOTE: One copy of requisitions for items in 1,2, or 3 above must be provided to the supply supporting activity to establish the requisition outstanding file.

For stock replenishment and/or referral action, the ready supply stores requisitioning material direct from activities other than the supply supporting activity are responsible for the preparation and transmission of appropriate financial transaction cards to the supply supporting activity. For UADPS activities these are the Funds Obligation Card (ZMW) and the Billing Cross-Reference Card (ZMZ). These transactions are required to obligate the NSF and furnish the accounting data required to process the bill. Preparation and transmission of these financial transactions will be in accordance with procedures

developed and issued by the supply supporting activity.

8. FINANCIAL INVENTORY CONTROL RECORDS. The money value of ready supply store inventories and related transactions are reflected on financial inventory ledgers by material cognizance and Special Accounting Class 203 for each ready supply store activity. Issue and receipt documents are forwarded daily or weekly to the command maintaining the financial records, depending on workload or proximity. However, as an alternative, activities may permit ready supply store personnel to extend request documents and prepare money value only summary issue documents to report issues on either a daily or weekly basis. This alternative must not degrade customer service or increase accounting charges.

9. BACK ORDERS. In general, requisitions for items which are not in stock will not be back ordered unless a quantity of material is due-in as the result of previous replenishment action. However, IPG 111 requirements for cognizance symbols in the 5 series (less 5R) and 9 series will be back ordered against existing stock replenishment dues or subsequent stock replenishment. Not carried or centrally managed items will not be locally back ordered.

10. INVENTORY AND LOCATION SURVEY. Responsibility for physical inventory and location survey functions is assigned to the ready supply store and will be accomplished according to NAVSUPINST 4440.115 series. Appropriate adjustments are made in financial records based on inventory and location survey results furnished by the ready supply store to the supply supporting activity.

11. SURVEY OF READY SUPPLY STORE STOCK. Deteriorated, damaged, lost, overage, non-reportable, and otherwise valueless material will be surveyed and expended from the Stock Record Cards (NAVSUP Forms 766) under procedures prescribed in pars. 25155-25165. The supply supporting activity must approve a designated person or survey board responsible to authorize that the survey is required and proper. Completed surveys are forwarded by the ready supply store with authorized signature(s) to the command maintaining the ledger account where the survey adjustment is posted.

12. AUTOMATED PROCEDURES. The determination regarding the use of Automated Data Processing

Equipment (ADPE) is a prerogative of the activity requesting establishment of a ready supply store as approved by its parent bureau, command, or office. However, activities operating ready supply stores with monthly issues and sales of \$100,000 or more should consider management of such stores under the UADPS N-Series Disk Oriented Supply Systems (DOSS) concept. The ARSS system provides faster and better techniques for such areas as requisition processing, accounting controls, stock replenishment, and recording of demand history on not carried items. Assistance in establishment of the UADPS-DOSS management system is available from the Naval Supply Systems Command upon request.

25663 REDESIGNATION OF READY SUPPLY STORE ACTIVITIES AS ACCOUNTABLE ACTIVITIES

1. GENERAL. When a ready supply store activity determines that the volume and nature of business transacted warrants the designation of the facility as an independent activity, a letter request for change in status to establish that activity as an accountable station for the rendering of financial inventory control and accounting reports will be submitted to the Office of the Comptroller of the Navy via the accountable activity, the area coordinator, and the primary support bureau, command, or office. When the accountable activity considers that a change in the status of the dependent activity is desirable, a letter request is submitted to the Office of the Comptroller of the Navy via the ready supply store

activity, area coordinator, and the primary support bureau, command, or office. Prior to such requests, appropriate coordination must be conducted with the Commander, Naval Supply Systems Command regarding the expanded supply support mission of the requesting activity.

2. SIMPLIFIED FINANCIAL INVENTORY RECORDS AND REPORTS. Upon redesignation of ready supply stores as independent and accountable activities, such activities will maintain Financial Inventory Report (NAVCOMPT Form 2154) and Status of Fund Authorization-Stock Fund (NAVCOMPT Form 2129) and-submit reports as required in the NAVCOMPT Manual, Volume 111, pertaining to the Navy Stock Fund. Allotment and accounting of NSF funds will be performed as prescribed in FMSOINST 4400.12 series.

25664 DISESTABLISHMENT OF READY SUPPLY STORES

Disestablishment of ready supply stores will be coordinated between the supply supporting activity and the operating activity. The method of material transfer and the accountability of the transfer is to be determined by the supply supporting activity. The transfer of material may be within the NSF retail system or returned to the supply supporting activity or other designated location as material turned-in to store (MTIS). In any event, this action must be most cost effective and performed in a timely manner. ↑

Section IV: POST-POSTING PROCEDURES

25674 REPORTING ACTIVITIES

Reporting activities are authorized to post-post an issue of material only when the issue meets one of the following conditions:

1. issue of an item for which the stock balance card has been offset and is in an update process;
2. issue of a rotatable pool item;
3. issues required at automated activities when automatic data processing equipment is inoperative;

4. specific categories of items which, for obvious reasons, cannot be preposted, e.g., bulk fuel issues;
5. auxiliary store issues;
6. emergency issues under, conditions when it is impossible to post to the local stock record prior to making the issue.

25675 NONREPORTING ACTIVITIES

Nonreporting activities which carry stock primarily for their own consumption and for the support of assigned yard and district craft and aircraft are authorized to post-post all issues from supply department stocks. At activities where post-posting procedures

are established, material will not be carried in special accounting class 203 but will be carried in the respective federal supply classification groups or classes. However, at activities where all cognizance symbol 9L material is carried in special accounting class 203, the material will not be returned to the federal supply classification group or class. Inventory control and issue procedures for this material will be in accordance with instructions for the operation of shop stores. A list of persons authorized to sign request documents may be maintained if the local command so requires. Shop stores, ready supply stores, and ready issue stores will be redesignated as auxiliary stores and stock records will be discontinued and replenishment action will be based on pre-established bin guides indicating the reorder point or on the Stock Tally (NAVSUP Form 209) indicating the safety level. A Bin Replenishment (Request) (DD Form 856) will be used to transfer stock from the main bulk warehouse to the auxiliary store. The redesignation of shop stores, ready supply stores, and ready issue stores as auxiliary stores need not change the physical location of such stores.

25676 POST-POSTING ISSUES

1. STOCK ISSUES OF OTHER THAN MEDICAL AND DENTAL MATERIAL

a. General. Material may be issued to bearer or delivered to the requester as prescribed in subpars. b and C.

b. Issues to Bearer. Issues of material to bearer will be made on a single Request for Issue or Turn-in (DD Form 1150). However, when desired by local command, use of a five part DD Form 1150 is authorized. The requisition will be prepared for one line item only and will be presented to the respective storekeeper in the auxiliary store or the storage branch for immediate issue of the material. The storekeeper will issue the material, if available, and the bearer will sign in the "Received by" block on the requisition. The issuing storekeeper will forward the accumulated station requisitions to the stock control branch at least twice

daily in order that the material may be expended from the stock record cards.

c. Issues Requiring Delivery. When it is known that material will require delivery, 9 copies of the station requisition will be prepared; copy 3 will be forwarded as an obligation document to the office designated to maintain allotment records (see subpar. 9), copy 9 will be retained; and the remaining copies will be forwarded to the storage branch. The storekeeper will forward the material to the delivery section with copies 4, 5, and 6. Copies 7 and 8 may be used as delivery scheduling and action copies, if required. If delivery scheduling and action copies are not utilized, they may be destroyed. The storekeeper will sign the original of the requisition in the "Issued by" block and forward copies 1 and 2 to the stock control branch to be expended from the stock record cards. The delivery section will retain copy 5 in a suspense file and forward the material to the requester with copies 4 and 6 of the requisition. The receiver will sign copy 6; and copy 4 will be retained by the requesting activity. The proof of delivery copy (copy 6) will be returned to the delivery section by the driver to be matched with the suspense copy (copy 5). If in agreement, the suspense copy will be destroyed and the signed copy forwarded to the stock control branch to be filed by shop or activity and request number. If not in agreement, both copies will be forwarded to the stock control branch for investigation.

d. When Material Is Not Available

(1) Issues Not Requiring Delivery. When material has been requested by a bearer and is not available for issue from the auxiliary store or the storage branch, the requisition will be marked "Not in stock" and returned to the requester. The requester then will prepare and process nine copies of station requisitions and distribute the copies in accordance with par. 25055. The requester will indicate on the requisition that the material is not in stock.

(2) Issues Requiring Delivery. When material which has been requested for delivery from the storage branch is not available for issue, the storekeeper will forward all copies of the requisition received to the stock control branch indicating the material is not available.

2. STOCK CONTROL ACTION. When material has been issued, the stock records section will expend the quantity issued from the stock record cards, price and extend the station requisition, and forward it to the financial inventory control section via the financial editing unit. If the stock record

cards indicate that material indicated as "Not available for issue" is on order, the stock control branch will obligate the item and forward an action copy (copy 8) of the requisition to the requester. If procurement action is necessary, all remaining copies of the station requisition will be forwarded to the procurement branch for appropriate action. When material is ordered for direct delivery to the requester, either by purchase or from another naval activity, the procedures prescribed in par. 23082 or 23119 will apply.

3. FINANCIAL EDITING. The financial editing unit will review all station requisitions in accordance with par. 24001-3.

4. FINANCIAL INVENTORY CONTROL SECTION. The financial inventory control section will sort station requisitions by stores account, cognizance symbol, fraction code, and class, and attach the adding machine tapes for posting to class ledgers and forwarding to the fiscal department.

5. CRITICAL ITEMS. Upon receipt of requests for critical items, the storekeeper will contact the stock control branch, prior to issue of the material. Bin tags and labels will be used to identify critical items. Lists of critical items will be supplied to the storage branch by the stock control branch.

6. INTERCHANGEABLE AND SUBSTITUTE ITEMS. Bin tags and labels will be used to indicate interchangeable and substitute items when practicable.

7. SPECIAL PROJECT MATERIAL. Special project material held for later issue will be tagged in order to prevent its issue for other than the intended purpose.

8. ISSUE CONTROL. Under the post-posting procedure there will be no need for the establishment of an issue control section or the furnishing of action copies of station requisitions other than those held as obligations in the stock control branch. The obligation file of issue documents and the file of proof of delivery copies will be retained in the stock control branch. Cash sales functions will be transferred to the fiscal department.

9. OBLIGATION OF FUNDS. Copies of station requisitions will not be referred to the office designated to maintain allotment records except:

1. for purchases for end use,
 2. material requiring delivery,
 3. when station requisitions are being held as obligations for issue from stock.
- In these cases, the procedures in subpars. 1c or d and 2 will apply.

10. **PRICING.** When issues are made under the post-posting procedure, the requesters' copies of the station requisitions will not be priced. Estimated prices or prices from standard price lists will be used by the requester in maintaining memorandum allotment records. Periodically the record can be verified against that of the allotment accounting office.

11. **SCREENING.** Storekeepers will screen all station requisitions to insure that the necessary information is included. The financial editing unit will be responsible for insuring that the accounting information is correct.

12. **LOCATOR CARDS.** The storage branch locator cards will identify the auxiliary store in which the appropriate items are carried as well as the locations in bulk warehouses.

13. **EXCHANGE ITEMS.** Exchange items may be issued on a custody basis to maintenance shops.

14. **PRE-EXPENDED BINS.** Bins will be established in auxiliary stores for pre-expended material in accordance with par. 25612.

15. **EXCEPTIONS.** The commanding officer may require additional restrictions or routing of station requisitions as required by the Navy Comptroller Manual, par. 039101-2.

25677 ISSUES OF MEDICAL AND DENTAL MATERIAL AT NAVAL HOSPITALS

1. **GENERAL.** Medical and dental material in storerooms will be delivered or issued to requesters in accordance with the procedures in this paragraph. Each naval hospital, dispensary, or clinic will furnish a list to the supply division or branch of all organizational units authorized to draw material. In addition, the supply division or branch will be furnished a list of the signatures of personnel authorized to sign request documents as considered appropriate by the commanding officer.

2. **REQUISITIONS.** Requisitions will be prepared by the requester on a 5 part Request for Issue or Turn-in (DD Form 1150). The request document will contain all pertinent information. The originating component will detach and retain the last copy of the request pending receipt of the requested material. The original and three copies will be forwarded to the supply division or branch.

3. **TECHNICAL REVIEW.** Requisitions for medical and dental material will be reviewed by the technical review section prior to forwarding the documents to the storeroom for issue or to the purchase branch or division via the stock records section. The technical review personnel will be responsible for inserting appropriate accounting information on the requisition.

4. **STOREROOM ACTION.** The storekeeper will issue material by stock number in the quantities authorized on the requisition. Storekeepers will not change request documents. Any requisitions believed to be in error for any reason will be returned to the technical review section for corrective action or explanation. When the quantities of material specified are not available for issue, the information will be inscribed adjacent to the item on the request document and the document will be returned to the technical review section for necessary action. When material has been withdrawn from the stock location, it will be released to the requesting department. The representative of the requesting department will sign a copy of the document in the received "By" block and this copy will be returned to the supply division or branch to be filed in the completed files. Completed files will be established in the supply division or branch by the requesting activity and the proof of delivery copy will be filed therein. The original requisition and one copy will be forwarded by the storekeeper to the stock records section so material may be priced and expended from the stock records and the document processed through the financial inventory control ledgers to the fiscal or accounting branch.

5. **PROCUREMENT ACTION.** When the technical review indicates that items must be procured either from the supply system or by purchase, all copies of the requisition will be forwarded to the stock records section. The stock records section will file copy 3 of the request in a suspense file to provide a record of requisitions in process. A separate file folder will be established for each requesting department and the requisition copy filed therein. The stock records section will prepare a Requisition (DD Form 1145) if the material is to be procured from the medical and dental supply system or will forward the original and copy 2 to the purchase section or branch if the item is to be purchased locally.

6. **EMERGENCY ISSUES.** Issues may be made to the bearer direct from the storeroom in case of

emergency. The bearer will present a properly prepared DD Form 1150 to the storekeeper or to the duty officer during night or nonworking days. The storekeeper or the duty officer will issue the material, and the bearer will sign in the received "By" block on the original and copy 2 of the request. The issuing

storekeeper or duty officer will forward the original and two copies to the stock records section for any necessary accounting data so that material may be expended from the stock records and the documents processed through the financial inventory ledgers and the fiscal or accounting branch.



Section V: SERVMARTS



↓ 25680 GENERAL

1. **DEFINITION.** A SERVMART is a self-service store which is operated by an ashore supply activity to provide a ready supply of relatively low-cost items frequently required by customers in the area.

2. **CONCEPT.** SERVMARTS are established at activities where it is more economical to provide material support through a self-service type of operation than to require the activity to receive, store and issue material in regular store's accounts. The self-service feature of SERVMARTS enables an ashore supply activity to realize substantial cost savings and permits customers to obtain material expeditiously without having to prepare and submit a separate requisition for each item required.

25681 ESTABLISHMENT OF SERVMARTS

1. **APPROVAL.** Prior approval of the Naval Supply Systems Command is not required for the establishment of initial or additional SERVMARTS. Local Commanders should consider costs of building renovation, light fixtures, store fixtures, cash registers and parking requirements in determining whether or not the objectives of establishing SERVMARTS will be accomplished. Upon establishment of a SERVMART, activities will notify the commander, Naval Supply Systems Command (SUP 03) and the Fleet Material Support Office (FMSO). The establishment of a "main" SERVMART with branch locations is not authorized.

2. **RESPONSIBILITY:** Responsibility for the operation of SERVMARTS is the same as for Shop Stores or Ready Supply Stores. When Supply Corps Officers are, assigned to activities where SERVMARTS are operated, the Supply Corps Officer so assigned is responsible to the local command for control and management of inventories required for activity support. When a Supply Corps Officer is

not assigned, the local command will designate qualified personnel to administer the operation of the SERVMART.

3. STOCKING POLICY

a. **Item Establishment.** The requirements of customers served will generally determine the range of items to be carried. Normally, only fast-moving items with recurring demand will be placed in SERVMART. Repairable, critical, or classified items will not be stocked in SERVMART. Generally, the criteria for items to be stocked/replenished are as follows:

(1) Unit price of less than \$350, and

(2) Main supply requisition frequency of at least two demands per month over a 12 month period.

b. **Restricted Items.** The following selected items will not be stocked in SERVMART inventory and must be controlled by and requisitioned from main supply:

(1) NSN 9D-8430-00-724-2151 thru 624-3734- Boot, flying man's black leather, water resistant, upper non slip, non-marking, jet fuel resistant,

(2) NSN (Discontinued)-Jacket, flyers, man's intermediate weight, brown leather,

(3) NSN 9N-8415-00-349-9313 thru 349-9317- Jacket, extreme cold weather, chloroprene rubber-coated nylon twill jacket (Type A-2),

(4) NSN 9D-8415-00-753-5611 thru 753-5615- Jacket cold weather, interjacket,

(5) NSN 9D-8415-00-310-1111, 1126, 1133, 1140-Sage green nylon twill jacket,

(6) NSN 9D-8415-000782-2933 thru 782:2945- Shipboard foul weather type coat, cold weather,

(7) NSN 9D-8464-00-753-6261-Sunglasses, high quality ophthalmic crown glass lenses, neutral density, crush resistant with carrying cases,

(8) NSN 9Q-7340-00-098-4327-Knife, hunting with sheath, survival 5" blade,

(9) NSN 9C-4220-00-372-0665-Diver's knife,

(10) NSN 9Q-6645-00-0664279-Watch, wrist (Pilots),

(11) NSN 9Q-8460-00-248-3781-Brief case, general purpose,

(12) NSN 9Q-8460-00-782-6729-Dispatch case, black 3",

(13) NSN 9Q-8460-00-782-6726-Dispatch case, black 4",

(14) NSN 9Q-8460-00-847-4802-Dispatch case, suntan4",

(15) NSN 9D-8460-00-606-8366-Kit bag, flyers (parachute bag),

(16) NSN 9Q-8460-00-298-6900-Portfolio,

(17) NSN 1I-0108-LF-502-9000-NAVSUP Form 1105, Meal Passes,

(18) NSN 1I-0102-LF-000-2150-DD Form 214, Separation General-Certificate of Release or Discharge from Active Duty (worksheet),

(19) NSN 1I-0102-LF-000-2145-DD Form 214WS, Separation General-Certificate of Release or Discharge from Active Duty (worksheet),

(20) NSN 1I-0102-LF-000-2150-DD Form 215, Separation General-Certificate of Release or Discharge from Active Duty-Correction to DD Form 214,

(21) NSN 1I-0102-LF-002-4202-DD Form 256N, Discharge Certificate-Honorable,

(22) NSN 1I-0102-LF-02-4801-DD Form 257N, Military Separation Discharge-General, and

(23) All controlled drugs.

c. Item Disestablishment. Inactive SERVMART items, once added to the inventory range, are often retained for long periods of time with little or

no demand being experienced. Because the Special Accounting Class (SAC) 260, inventory is often the first level of support provided to the customer by a retail activity, it is imperative that these inventories be representative of current customer requirements and that availability of this material be maximized within funding constraints. A formal purge procedure will be established and executed to remove from the inventory those items no longer required for customer support. The actual purge criteria will be to review the inventory on a semi-annual basis and purge those items which have experienced no demands in 12 months, returning any on-hand stock to main supply (SAC 200).

4. LEVEL SETTING. Individual stock levels should be flexible, but adjusted to keep the total inventory on-hand within the authorized levels for three-digit stores contained in NAVSUPINST 4400.59 (series). Once an item qualifies as a SERVMART inventory item, the authorized inventory depth allowed is a function of whether back-up or support is provided for by main supply and of the geographical distance between the SERVMART operating site and main supply (if back-up is provided). If supported from main supply, the average inventory is 30 days stock. If the SERVMART is more than 25 miles from its main supply, an additional half month (1/2) leadtime is authorized. Specific levels applicable to EXCONUS SERVMART inventory investment levels may be increased if average on-hand inventory levels in main supply are reduced to compensate thereof. Safety level is not authorized for SERVMART items if items are carried in main supply.

a. Levels Computation. Once an item qualifies as a SERVMART inventory item, the authorized inventory depth allowed is a function of whether back-up or support is provided for by main supply, and of the geographical distance between the SERVMART operating site and main supply (if back-up is provided). If supported from main supply, CONUS SERVMART outlets are authorized a one-month Average Inventory Level (AIL) regardless of whether the operating site is within or outside a 25-mile radius from main supply. Specific authorized levels (in months of supply) for retail material other than clothing/subsistence are indicated below. In the event that support is obtained from sources other than main supply, the levels indicated below may be used in the SAC 260 outlet. ↑



LEVELS	SERVMART SUPPORTED BY MAIN SUPPLY GREATER THAN		SERVMART SOURCE OTHER THAN MAIN SUPPLY
	W/1 25	25	
Safety	0	0	1.0
Leadtime/O&ST	(until actual)	1.0	1.0
Low Limit/Reorder Point (Leadtime + Safety Level)	0.5	1.0	2.0
Operating Level	2.0	2.0	3.0
Authorized Average Inventory Level (Safety Level + 1/2 of Operating Level)	1.0	1.0	2.5
High Limit/Requisitioning Objective (Reorder Point + Operating Level)	2.5	3.0	5.0

NOTE: Specific levels applicable to EXCONUS SAC 260 outlets will be in accordance with appropriate Fleet or Area Commanders' directives.

b. Levels Funding. FMSO will develop funding grant computations to support SERVMART inventories. Specifically, FMSO will consider the following when computing funding requirements for authorized stock levels:

(1) Which items carried in SERVMARTs are backed-up in main supply and which ones are not.

(2) Delete from the Financial Inventory Report (FIR) value, all items of supply that have been dropped from the main supply records but have not been received by the SERVMART. (NOTE: SERVMART FIR Values should only be increased after the receipt of material has been recorded by the SERVMART.)

(3) The number of miles from main supply the SERVMART is located, (for SERVMARTS with multiple outlets, consider each outlet as a separate store) and compute the order-shipping time.

(4) The FIR value of all unique items carried at each SERVMART/outlet, i.e., cylinder pools, authorized reservations, insurance, items, items in long supply and long lead times, etc., and exclude from further computation.

(5) The number of customers serviced by each SERVMART/outlet and the average monthly dollar value of sales for each SERVMART/outlet (excluding the items in subpar. 2568 14b(4) above).

c. Stock levels/stock turn goals. From the information obtained by the above actions, develop tailored stock levels and stock turn goals for each SERVMART. For SERVMARTS with multiple outlets, develop composite stock levels and goals.

(1) Update and report changes in stock level authorization to NAVSUP quarterly.

d. Levels Objective. NAVSUP has established a goal for SERVMART Not-In-Stock (NIS) rates. This goal is set at 6.0%. Local SERVMART control and review of high/low limits should consider the NIS rate of 6.0% as a standard objective.

25682 OPERATION OF SERVMARTS

1. GENERAL. There are two systems of SERVMART operation under the guidance and control or major stock points in the Naval Supply Systems Command.

a. The Electronic Point of Sale (EPOS) system is a source data automation technique which, in addition to recording demands at point of sale and stock asset visibility of stock number, also provides most of the inherent inventory control features the UADPS-SP provides for stock points.

(1) Naval Supply Centers equipped with EPOS will provide directly to the requisitioner a quarterly report of all SERVMART transactions occurring during the quarter. This report should be tailored to meet the specific management goals of the requisitioner. Information contained in this report should include, but not be limited to the following:

1. FSC/NIIN,
2. Requisition No.,
3. Nomenclature,
4. Unit of Issue,
5. Frequency,
6. Quantity,
7. Unit Price,
8. Value, and
9. Total Money Value Expenditure.

Since SERVMART items are subject to theft and/or appropriation for personal use, Supply Corps Officer or designated representatives will conduct a detailed review of the EPOS report. Where such items are included, the Medical Department will be given an opportunity to conduct a similar review. In all cases, review procedures must be developed to ensure proper utilization of government funds and property with emphasis towards combating fraud, waste and abuse. Upon completion of the review action, the EPOS report will be marked "Examined for Content", dated and signed by the supply officer or designate representative. The EPOS report will be maintained in an individual file for future Supply Management Inspection review.

b. The Manual system of SERVMART operation has none of the features of the EPOS system. Stock assets are determined by Financial Inventory Record (FIR) value and replenishment and excessing are done by visual estimation.

c. Local Commanders are expected to develop individual detailed operating procedures within the framework of NAVSUPINST 4400.59 (series) and to ensure controls are instituted to discourage potential fraud, waste and abuse in SERVMART operations.

2. PERSONNEL. Personnel to administer and operate SERVMARTS will be assigned by the activity where the SERVMARTS are located.

3. CUSTOMER IDENTIFICATION

a. To insure that only authorized personnel are using the SERVMART and to provide a proof of delivery audit trail, activities operating SERVMARTS will institute a customer control log. The following elements are considered to be the minimum necessary for control:

1. Julian Date,
2. Document Number,
3. Ordering Activity,
4. Amount of Purchase,
5. Name of Customer,
6. Rate/Grade of Customer,
7. Identification Card and Social Security Number of Customer, and
8. Signature of Customer.

b. In order to comply with the requirements of the Privacy Act of 1974 (Public Law 93-579), a placard worded as follows will be prominently displayed in all SERVMART stores:

"Notice to Customers of SERVMART – under authority of Title 5, U.S. Code, Section 301, and Executive Order 9397 of 22 November 1943, disclosure of your social security number and other personal information is mandatory for your use of the SERVMART. All information furnished will be used to provide a proof of delivery audit trail to this activity."

NOTE: Hand printed or written signs are not authorized.

25683 SECURITY

1. The very nature of SERVMART items makes them especially vulnerable to pilferage and theft. A large percentage of SERVMART items are very desirable for hobby and commercial purposes and lend themselves to ready resale on the commercial market. Accordingly, SERVMART material must be afforded the maximum level of protection. This protection is two-fold and consists of physical measures to protect the material from pilferage, and internal review procedures to preclude extensive, systematic theft. In ↑

▼ addition to these measures, all employees concerned with any phase of SERVMART operations must be aware of the specific functions they must perform to protect SERVMART assets.

2. **PHYSICAL SECURITY.** OPNAVINST 5510.45B provides sound guidance on the mechanics of good physical security measures. These measures are primarily concerned with denying access to storage areas and include the normal requirements for locks on all doors, secured windows, perimeter lighting, and intrusion alarm devices. Because of the self-service concept which brings the customer into the storage area, however, ordinary security steps must be supplemented with additional measures to preclude pilferage during normal operations. These additional measures should include at least the following:

- a. periodic screening of personnel desiring entrance to insure only authorized customers have access to SERVMART;
- b. erection of barriers and turnstiles to control customer traffic in and out of the shopping floor;
- c. installation of surveillance devices such as convex mirrors, properly placed, to monitor customer activity on the shopping floor;
- d. placement of coat racks outside the shopping area and encouraging customers to remove bulky outer wear before entering the shopping floor;
- e. consolidation of highly pilferable stock into a minimum number of areas to facilitate surveillance;
- f. use of locked display cases whenever feasible to house samples of highly pilferage items, such as film, sunglasses, and small precision tool kits; and
- g. use of SERVMART personnel to monitor customer activity on the shopping floor, especially during periods of high customer traffic.

3. **SECURITY ASSIGNMENTS.** The above measures will assist in curbing pilferage, but the most important element in an effective security program is employee involvement in the security effort. All employees must be told what specific functions they are to perform to ensure SERVMART assets are

adequately protected. The assignment of specific security functions will be made by the SERVMART manager, who is also responsible for instructing employees in their security responsibilities and periodically reviewing security assignments to ensure adequacy of coverage. As a minimum the following functions will be assigned in writing:

- a. Building security-to ensure the SERVMART is secure at the close of the day's business, including all secondary exists and windows (All secondary exists and receiving areas will be secured when not in use.);
- b. Customer identification-to ensure only authorized personnel are using the SERVMART;
- c. Monitoring customer activity to reduce "shoplifting", authorized exchanges and mixing of merchandise; and
- d. Checking request documents to ensure that all documents are signed by an authorized official, that they have not been altered, and that they cite the appropriate account data (An up-to-date list of authorizing officials' names and signatures and all accounting data should be maintained at all checkout counters for ready references.).

25684 INTERNAL CONTROL

1. The physical security requirements outlined above are appropriate to combat the problems of theft by persons outside the organization. A different set of safeguards is required to preclude collusive theft from within the organization. These safeguards involve the separation of responsibilities and prescribing effective procedures thereby establishing a system of checks and counter-checks which precludes theft from occurring undetected over a period of time. Activities operating SERVMARTS will ensure that local internal review and operating procedures incorporate the following guidance:

- a. Whenever possible SERVMART operations should be structured to prohibit theft. This means that the same people who determine that replenishment is required should not be responsible for purchasing the material, and the person responsible for purchasing material should not be responsible for receiving the material. Such built-in separation of responsibilities serves to maintain the integrity of SERVMART operations.

b. Standardized accrual and/or memorandum accounting procedures will be established for accounting personnel responsible for SERVMART transactions.

c. Supervisory accounting personnel will periodically sample, for accuracy, transactions posted to the SERVMART financial ledgers.

d. The Responsible Officer/Internal Review Staff will perform regularly scheduled and unannounced quality checks upon randomly chosen documents and financial ledger postings.

e. The extended value of each SERVMART physical inventory count conducted will be reconciled to the Financial Inventory Control Ledger (FICL). The reconciliation will be performed, under the auspices of the responsible officer to ensure independent and accurate assessment of the SERVMART financial status.

f. Reconciliation Reports and should be completed and submitted to management on a basis timely to the respective physical inventory counts. A reports control schedule should be established for that purpose.

g. Reconciliation Reports should display:

(1) the respective physical inventory extended balance and FICL balance;

(2) any identifiable physical inventory gains or losses;

(3) reconciliation items representing valid and identifiable transactions;

(4) the resultant accounting adjustment, exclusive of reconciliation items in (3), required to bring the FICL balance into agreement with the physical inventory; and

(5) operational and financial problems and recommended corrective action.

h. When physical inventory counts are performed by SERVMART personnel, 10% validation of counts should be made under the supervision of the Responsible Officer by personnel not assigned to the SERVMART.

i. A review of randomly chosen Unit price markings should be conducted at least monthly to ensure on-hand inventory value is not being inflated.

j. SERVMART management reports should be used to provide precise monitoring of all facets of SERVMART operations. A monthly financial inventory report which takes the opening inventory value, adds receipt posting and subtracts the expenditure postings recorded in the FIR and computes a closing inventory is recommended. In addition, a weekly report showing dollar value of issues and receipts will help in identifying potential problems.

k. FIR adjustment transactions such as purchase variance, standard price, survey, etc., should be reviewed regularly to determine their relationship to the purchase opening inventory and sales values. A pattern whereby the inventory value is regularly reduced by such adjustments could indicate the unauthorized disposition of material. The analysis should be made a part of the periodic inventory report and should be available to management more frequently if required. SERVMART personnel should report all known incidents of theft, attempted thefts, or conspiracy to commit theft to activity management. Significant events should be reported to NAVSUP Headquarters.

2. INTERNAL REVIEW. The scope of the Internal Review Program will be revised to incorporate a specific requirement for the review of the SERVMART operation.

3. PERIODIC INSPECTION. Local implementing instructions will provide for the periodic inspection of SERVMART operations by the activity or base security officer and the SERVMART manager to ensure the adequacy of and compliance with the local SERVMART security program.

4. PRICING. Items in the SERVMART will be priced at the standard price in effect at the time of the latest receipt by the SERVMART. Items already in the bin will not be remarked. This method precludes making an adjustment to the financial inventory ledger, and operates on the basis that customers will "shop out" the lower priced items first. However, the obvious advantage of not having to remark items is countered by the fact that at the cash register additional time must be taken to examine the price on each of the same items, and also by the fact that

▼ during a physical inventory the value of the items must be determined by extending one or more prices for the same item.

25685 ACCOUNTING

1. Generally, SERVMART accounting records will be established as a separate battery of manual or mechanized ledgers. Money Value Only (MVO) accounting for all material in SERVMART will be under financial inventory records in the Navy Stock Account (NSA) SAC 260, cognizance symbol 9G. Separate accounting records will be maintained for each individual SERVMART location.

25686 PHYSICAL INVENTORY

1. A physical inventory of each SERVMART location will be conducted once each fiscal year. The difference between the inventory balance on the FIR ledgers for cognizance symbol 9G, SAC 260 and the extended value of items in inventory will be reported as accounting adjustments under FIR Code E4 or N4 as appropriate. Accounting adjustments in excess of 1% of sales and Other Supply Officer (OSO) transfers to SAC 207 ships, for an inventory are considered excessive. When adjustments exceed 1% of sales and OSO transfers to SAC 207 ships, cognizant commands will review all aspects of SERVMART operations. Physical inventories will be conducted quarterly until adjustments are within the acceptable limit of 1% of sales and OSO transfers to SAC 207 ships.

25687 FINANCIAL INVENTORY TRANSACTIONS

1. GENERAL. Financial inventory transactions for issues of material to SERVMART, receipt of material by SERVMART, issue of material by SERVMARTS, and the adjustment of the SERVMART FICL balance will be processed in accordance with instructions in this section.

2. TRANSFER FROM SHOP STORES. Transfer from Shop Stores and Ready Supply Stores after conversion to a SERVMART will be as follows:

a. Process expenditures from applicable cognizance symbol, SAC 203 under FIR code M3. (See NAVSUP PUB 437, paragraph 05080).

b. Process receipts in SERVMART (cognizance symbol 9G, SAC 260) under FIR code D3.

3. Replenishment from Main Supply. Same as subpar. 25687-2, except that the appropriate SAC will be used.

4. REPLENISHMENT BY RECEIPTS FROM PROCUREMENT. Those items which are not carried (NC) in main supply of the activity supporting the SERVMART will be processed as Receipts from Procurement under FIR Code A1, A3, and A5, as appropriate. The Purchase Variance, if required, will be processed under FIR Code E1, or N1, as appropriate. Purchases to be processed as Receipts from Procurement under cognizance symbol 9G, SAC 260, are chargeable to the Navy Stock Fund (NSF) allotment issued by the Fleet Material Support Office. If funds of other Navy Stock Fund project managers are used to finance purchases of material for the SERVMART, the transactions will be processed as Receipts from Procurement under the appropriate cognizance symbol, and subsequently transferred to the SERVMART as provided in subpar. 25687-2.

5. ISSUES TO CUSTOMERS. Issues of SERVMART material will be reported under FIR code J1. FIR code J3 will be used for transactions processed on a cash sale basis.

6. MATERIAL RETURNED BY SERVMARTS. SERVMART items returned to main supply will be processed as expenditures from the SERVMART under FIR code M3. The receipts into main supply will be processed under FIR code D3.

7. ISSUES TO SAC 207 SHIPS FOR STOCK. Ships accounting for material in SAC 207 are authorized to obtain emergency interim stock replenishment from SERVMARTS. SERVMARTS will receive a separate DD 1348 for each item, citing the appropriate NSN and fund code. The following processing is prescribed:

a. Expend the value of material from 9G-260 under FIR Code M3.

b. Process the receipt into the parent cog, SAC 200 or main inventory class, as applicable, under FIR Code D3.

8. ISSUES TO SAC 207 SHIPS FOR DTO (DIRECT TURNOVER). SERVMARTS are authorized to make OSO Transfers to SAC 207 Ships for DTO. A multi-line item money-value-only requisition will be utilized by SAC 207 Ships (for own Ship's use) and by vessels fully supported and accounted for by tenders, citing cognizance symbol 9G and NSF fund code KZ. The issuing activity will summarize the tender in cognizance symbol 9G SAC 260 under FIR code P5.

9. TRANSFER TO COMMISSARY STORES. Commissary Stores are authorized to requisition operating supplies (material other than items for re-Sale) from SERVMARTS operating under the whole-sale segment of the stockpoint (17X4911.2310), as transfers between supply officers on a multi-line money-value-only requisition. FIR processing by the SERVMART is as follows:

a. Expend the value of material from cognizance symbol 9G SAC 260 under FIR code MA.

b. Process the receipt in cognizance symbol IQ, SAC 200 Under FIR code B2.

c. Process an OSO Transfer in cognizance symbol IQ under FIR code P4 from SAC 200.

10. ADJUSTMENTS TO THE FICL BALANCE. Adjustments to the FICL in accordance with par. 25685 above are necessary to ensure that the actual value of the inventory physically on-hand is reflected in the financial records. The timely entry of these adjustments into the FICL is necessary to assure the usefulness and accuracy of SERVMART ledger data.

a. Accounting adjustments resulting from counts of physical inventories at the SERVMART are based on the applicable reconciliation reports. Each reconciliation report will display the final dollar amount of the required accounting adjustment after valid reconciliation items have been identified. Recording of this accounting adjustment into the FICL must result in a ledger value equal to the extended value of the physical inventory. The adjustment value should be recorded in the FICL as soon as possible after completion of the physical inventory and preparation of the reconciliation report.

b. Financial inventory adjustments to record purchase variances, standard price adjustments, correct erroneous postings/nonpostings, etc., supportable

by documentation on-hand be entered into the FICL as soon as the dollar amounts are known. These transactions represent valid consideration prior to processing FICL accounting adjustments. Appropriate adjustments should be processed as soon as possible following the FICL adjustments.

c. To ensure that financial records reflect the value of actual material on-hand, the final accounting adjustment value must be recorded in the FICL as soon as possible after the actual physical inventory. Similarly, the only items which should be excluded from the final accounting adjustment are those items sufficiently documented to permit processing in the month following the processing of the accounting adjustment. Care must be exercised to ensure that adjustments processed in subsequent months are not attributable to, and duplicative of, values included in the final FICL accounting adjustment value.

d. In those instances where the final accounting adjustment value is in excess of 1% of sales and OSO Transfers to SAC 207 Ships, quarterly inventories and associated reconciliation must be performed (see par. 25685 above). If, however, sufficient documentation reducing the original adjustment below the 1% variance specified is obtained prior to the quarterly physical inventory and reconciliation, the quarterly performance requirements will be waived. Values included in the initial adjustment and subsequently substantiated as valid receipts, expenditures, or other gains or losses will be posted as reversals of the original FIR codes E4 and N4 entries. Such reversals will be reported in the appropriate FIR code on the SERVMART ledger. Appropriate posting media should be annotated to indicate the specific adjustment entry being reversed by subsequently documented transactions.

25688 HANDLING AND STORAGE OF FLAMMABLES AND PAINT PRODUCTS

1. GENERAL. Handling and storage of paint products and other flammables in the SERVMART will conform to an acceptable Life Safety Exposure level to building occupants with compliance to the following recommendations:

1. Flammable and combustible liquids shall be segregated and displayed in one location in the store.



2. In areas accessible to the public, storage of flammables and combustible liquids shall be limited to quantities needed for display and normal merchandising purposes but shall not exceed two gallons per square foot of gross floor area. The gross floor area used for computing the maximum quantity permitted shall be considered as that portion of the store actually being used for merchandising flammable and combustible liquids.
3. Liquids stored in containers larger than one gallon capacity (5-gallon cans, etc.) shall be limited to a maximum total of 100-gallons.
4. Containers in display area shall not be stacked more than two containers high, unless on fixed shelving or otherwise satisfactorily secured.
5. Shelving shall be of stable construction, of sufficient depth and arrangement such that containers displayed thereon shall not be easily displaced.
6. Leaking containers shall be removed to a safe location outside the building and disposed of in accordance with activity flammable and hazardous safety rules.
7. Provide to 20 to 30 pound capacity dry chemical fire extinguisher suitable for Class "B" fires at an easily accessible location 25 to 50 feet from the flammable storage.



PART E: SPECIAL MATERIALS AND SERVICES

Section I: RECREATION MATERIAL

25800 RECREATION MATERIAL IN THE CUSTODY OF COMMANDING OFFICERS

Recreation material in the custody of commanding officers is not carried in any stores account. Therefore, transfer of this material is not authorized. It will be disposed of in accordance with Bureau of Naval Personnel directives.

25801 ACCOUNTING INSTRUCTIONS FOR ALLOTMENTS FROM APPROPRIATED FUNDS

Allotments from appropriated funds may be granted to activities by the Bureau of

Naval Personnel when funds are available. Funds not obligated or expended during a fiscal year revert to the Treasury Department at the end of the fiscal year. Accounting for and reporting of allotments granted by the Chief of Naval Personnel will follow prescribed allotment procedures; allotments will be granted by the issuance of Allotment/Suballotment Authorization (NavCompt Form 372) and the status will be reported through the submission of Status of Fund Authorization (NavCompt Form 2025) as required by the Bureau of Naval Personnel.

Section II: MISCELLANEOUS MATERIALS AND SERVICES

25816 ALCOHOL, ETHYL

1. **PURPOSES FOR WHICH ISSUED.** The Secretary of the Navy has issued instructions that ethyl alcohol used for other than medical purposes will be issued to ships and shore stations only for certain specific purposes. These authorized uses are listed in the following subparagraphs according to the command cognizant of the material concerned.

2. NAVAL SEA SYSTEMS COMMAND

a. Ship's Type Material. The use of ethyl alcohol is authorized for the following purposes in connection with ship's material under the cognizance of the Naval Sea Systems Command:

1. cleaning parts of chronometers, fine watches, and fine or delicate instruments;
2. cleaning electrical contacts of delicate electrical instruments such as:
 - engine revolution telegraph,
 - engine order telegraph,
 - shaft revolution counter and direction indicator,
 - steering telegraph,
 - main generator revolution indicator,
 - switchboard instruments,
 - smoke indicator system,
 - Forbes log distance recorder;
3. cleaning lenses, prisms, and mirrors of astronomical and marine telescopes, binoculars, searchlights, and scientific instruments;
4. filling magnetic compasses, marine and aero;
5. washing mouth pieces of submarine lungs and inside surfaces of diving masks and diving helmets;
6. as required by technical instructions and manuals issued by the Naval Sea Systems Command.

b. Ordnance Type Material. The use of ethyl alcohol is authorized for the following purposes in connection with ordnance material under the cognizance of the Naval Sea Systems Command:

1. cleaning lenses, prisms, etc.;
2. mixing dull black paint or lacquer for the inside of optical instruments;
3. manufacturing smokeless powder;
4. cleaning contact points on firing circuits;
5. working in the chemical laboratories under the Naval Sea Systems Command;
6. mixing shellac used in assembling case ammunition;
7. mixing shellac used on carrier belts of powder stocking machine;
8. mixing lacquer used as a coating for the interior of smokeless powder tanks;
9. removing explosive "D" from rammer heads and bushings when loading projectiles;
10. as fuel for torpedoes;
11. as required by technical instructions and manuals issued by the Naval Sea Systems Command.

3. **NAVAL SUPPLY SYSTEMS COMMAND.** The use of ethyl alcohol is authorized for the following purposes in connection with material under the cognizance of the Naval Supply Systems Command:

1. making tests and conducting experiments in the naval chemical and metallurgical laboratories;
2. transparentizing solution, used to make paper negatives and drawings translucent in order to facilitate printing;
3. as required by technical instructions and manuals issued by the Naval Supply Systems Command.

4. NAVAL AIR SYSTEMS COMMAND. The use of ethyl alcohol is authorized for the following purposes in connection with material under the cognizance of the Naval Air Systems Command:

1. for cleaning of optical lenses, watch and clock parts, as well as for use in alcohol lamps and blow torches in the instrument shop;
2. as required by technical orders and notes issued by the Naval Air Systems Command;
3. for purposes as described under the authority of other commands when such use is chargeable at naval stations to appropriations under the Naval Air Systems Command.

25817 BLANK FORMS OTHER THAN COGNIZANCE SYMBOL I

1. PUBLIC VOUCHERS AND INVOICES FOR BLANK FORMS. Printing and binding procured from the Government Printing Office or from contracts made by the Government Printing Office under appropriations will not be covered by public vouchers and invoices.

2. ACCOUNTING FOR BLANK FORMS. Blank forms purchased under appropriations are not taken up in any stores account. Forms purchased are covered by public vouchers prepared directly under the appropriation concerned and end use functional account. Only forms required for use by commissary stores or ship's stores may be purchased under the Navy Stock Fund, and such forms are transferred immediately to the stores concerned for final charge against the operating expenses of the store. No forms are carried in any stores account.

25818 LIBRARY MATERIALS

1. REIMBURSABLE TRANSACTIONS

a. General. Navy and Marine Corps activities ashore authorized general libraries, and newly constructed, converted, and reactivated ships are provided with an original general library book collection (commissioning library) by the Chief of Naval Education and Training (CNET). The CNET is reimbursed by the Commandant of the Marine Corps for library materials issued to Marine Corps activities, and by the outfit supply activity for newly constructed and converted ships for the commissioning libraries issued to them.

b. Regular or Interim Issues. Newly published library materials will be furnished to each general library in periodic shipments by the Chief of Naval Education and Training without prior requisitioning by the activity concerned. Special library materials needed and replacements of lost or worn volumes

may be requested by official letter to the CNET. Replacement of a lost or worn book by the same title is not required but generally the replacement requested should be on the same subject matter. Requests from afloat commands may be made for materials on specific subjects, or for a varied selections.

2. RECEIPT AT STOCKING POINT. Receipts and distributions of library materials by the stocking point will be in accordance with the procedures established by the Chief of Naval Education and Training.

3. EXPENDITURES FROM STOCKING POINT

a. Nonreimbursable Transactions. Library materials distributed centrally to Navy and Marine Corps activities are issued to ship and station general libraries without charge to the receiving activity. Upon shipment, the stocking activity will return an action copy of the letter authorizing shipment of nonreimbursable cognizance symbol ØK: materials to the Chief of Naval Education and Training.

b. Reimbursable Transactions

(1) Newly Constructed and Converted Ships. On request from the Chief of Naval Education and Training, the outfit supply activity for newly constructed and converted ships will issue a Work Request (NavCompt Form 140) in accordance with the Navy Comptroller Manual, par. 035403 to the CNET to cover the cost of commissioning library collections. The request from CNET will include pertinent information as to quantity of library materials to be provided and their value. Cost of library materials will be charged to the outfitting allotment or project order held by the outfitting activity. At least thirty days prior to the date material is needed, the CNET will authorize the Naval Supply Center, Norfolk, to ship the commissioning libraries. Shipments will be made via traceable means.

(2) Other Reimbursable Transactions. The Commandant of the Marine Corps will issue a NavCompt Form 140 to the CNET to cover the cost of library materials for Marine Corps general libraries.

4. DISPOSAL OF GENERAL LIBRARY MATERIALS

a. Excess Library Materials. Excess books and other cognizance symbol ØK library materials in possession of ship and station general libraries will be handled as directed by the Chief of Naval Education and Training. Marine Corps activities will follow procedures in the Marine Corps General Library Manual. Permission for exceptions to established procedures will be requested from the CNET or from the Commandant of the Marine Corps.

b. Library Materials Unfit for Reuse. Soiled, worn, and damaged general library books will be surveyed and disposed locally. Records of disposal entered on the local General Library Inventory Record (NAVEDTRA 5070/7) will state only the number of items and date of disposal. Author and title lists are not required.

25819 CARBOYS AND CONTENTS

1. GENERAL. Carboys utilized for cognizance symbol 9Y material (such as distilled water or acids) are purchased under the Navy Stock Fund and are accounted for in accordance with instructions in subpars. 2, 3, and 4. Carboys whether filled or empty will be carried under one stock number at the standard price for an empty carboy. The contents will be carried under the applicable stock number at the standard price for the material.

2. ISSUES

a. General. Issues of carboys will be made on a post-posting basis when practicable. Upon issue, the storekeeper will annotate the request document to indicate the type, quantity, and condition of carboys turned in for exchange, if any. When practicable, issues to ships and overseas activities will be made in government owned carboys. Carboys with contract refund value will be labeled by the issuing activity with the refund, expiration date. Upon issuance of carboys with contract refund value, supply activities will issue first those carboys with the earliest refund expiration date.

b. Exchange Basis. Carboys will be issued on a free exchange basis when practicable; an empty carboy being exchanged for a full carboy of the same stock number. Under such circumstances the only charge will be for the contents.

c. Charge Basis. When a full carboy is issued and no empty carboy is turned in for exchange, a charge will be made on separate DOD Single Line Item Release/Receipt Documents (DD Forms 1348-1), or Requisition and Invoice/Shipping Documents (DD Forms 1149) for both the carboy and the contents.

3. CAR BOYS TURNED IN TO STORE WITHOUT EXCHANGE. Empty standard carboys in acceptable condition will be returned to store and carried in the Navy Stock Account under the applicable stock number. Ac-

tivities, will expedite the return of empty carboys to supply activities. Empty carboys returned to store will be accompanied with a DD Form 1348-1 or a DD Form 1149. The document will indicate the national stock number assigned to the carboy and will be processed by the receiving supply activity in accordance with NAVSUPINST 4440.157. Credit will be granted only for those standard carboys which are acceptable for reuse. Credit will not be granted for carboys which are cracked, chipped, or broken or are not in an acceptable crate.

4. CARBOYS UNFIT FOR REISSUE. Carboys which are cracked, chipped, or broken will be disposed of in accordance with par. 25156-4. Usable carboys without crates will be taken up in condition code B under the carboy stock number.

5. RETURN OF CAR BOYS TO CONTRACTOR. Empty carboys with refund value under contract will be returned prior to the refund expiration date shown on the carboy. Carboys purchased with option of return to the contractor will be processed and accounted for in accordance with instructions in par. 25820-5. If carboys are received by the supply activity in an acceptable condition but after the time limit fixed in the contract for their return to the contractor has expired, they will be acceptable for credit to the end user at standard price and retained in the Navy Stock Account under the stock number for the empty carboy and will be used for refilling prior to procuring contents in contractor owned carboys.

25820 CONTAINERS PURCHASED WITH OPTION OF RETURN

1. GENERAL POLICY. Containers purchased with option of return become the property of the Government on delivery and will be returned to the contractor at the discretion of the Government. If practicable, containers will be returned to the contractor and reimbursement obtained. However, containers will not be returned to the contractor when any of the following conditions exist:

1. when the containers are not in acceptable condition (cracked, chipped, or broken) they will be disposed of by the holding activity (usable carboys without crates will be utilized locally or returned to store),
2. when the estimated expense of returning the containers to the contractor will exceed the refund value,

3. when the retention of empty containers on board a ship constitutes a potential hazard and return to shore is not feasible,
4. when an immediate or foreseeable local requirement exists.

2. ACCOUNTING FOR ISSUES TO SHORE ACTIVITIES. The price of containers issued to shore activities will be included in the price of the material. No further accounting is involved unless, and until, the containers are returned to store.

3. ACCOUNTING FOR ISSUES TO SHIPS. Containers issued to ships will be covered by a separate DOD Single Line Item Release/Receipt Document (DD Form 1348-1) or Requisition and Invoice/Shipping Document (DD Form 1149) from that covering the material in the containers. The invoice covering the containers will be priced at the refund value of the containers. As the price of the material includes the price of the containers the invoice covering the material is extended at the regular unit price and from the amount so obtained is deducted the refund value of the containers, as shown on the other invoice.

4. ACCOUNTING FOR CONTAINERS RETURNED TO STORE

a. Containers Returned by Shore Activities. Containers returned to store by shore activities will be accompanied with a DD Form 1348-1 or a DD Form 1149. If the containers are in such condition that they will be accepted by the contractor, and if there is time remaining under the contract for their return, the DD Form 1348-1 or DD Form 1149 will be priced at the refund value of the containers as fixed by the contract, and the containers will be taken up in the Navy Stock Account in accordance with the instructions in par. 23186.

b. Containers Returned by Ships. Empty containers which were received by ship on separate invoices indicating their refund value and are later turned in to store ashore, or placed on board a cargo ship will be accompanied with a DD Form 1348-1, or a DD Form 1149 priced at the refund value of the container and indicating the appropriation charged on issue.

Supply officers ashore or supply officers of cargo carriers receiving empty containers from ships will ascertain from the ship the name of the yard which issued the containers and the date of issue. If the containers are in such condition as to insure their acceptance by the contractor and not more than two months have elapsed since the date of issue, the receiving supply officer ashore is to take up the containers in the Navy Stock Account, with credit to the current appropriation to which such material would be charged on issue (see par. 23187-1b).

c. Containers Returned After Expiration of Contract Time Limit. If containers are returned to a supply officer ashore in acceptable condition but after the time limit fixed in the contract for their return to the contract or has expired, specific accounting instructions will be requested from the cognizant bureau, command, office, or Naval Supply Systems Command inventory control point.

5. RETURN OF CONTAINERS TO CONTRACTOR

a. Reimbursement for Containers Returned. When "containers are released for shipment to a contractor, a statement of the value of the containers will be transmitted to the contractor with a request that a check for the value, drawn to the order of the Treasurer of the United States, be forwarded to the activity returning the containers. The contractor will be advised that credit memoranda submitted for deduction against current billings are not acceptable. The check received from the contractor will be forwarded to the disbursing officer who normally receives the proceeds of cash sales made by the activity, with a statement as to whether the containers were returned to the contractor within the time limit fixed by the pertinent contract.

b. Accounting for Returned Containers. Upon return to the contractor of containers which have been taken up in the Navy Stock Account in accordance with subpar. 4a or b, the supply officer will expend the book value of the containers as a cash sale in accordance with par. 25348. The expending DD Form 1348-1 or the DD Form 1149 will show the number of the contract under which the containers were

received. When containers returned after the expiration of the time limit are not carried in the Navy Stock Account because of instructions received (see subpar. 4c), no expenditure invoices are required. The supply officer will maintain sufficient records to insure receipt of payment for any such returned containers.

6. REELS, EMPTY. Empty cable and wire rope reels covered by a returnable reels provision in the purchase contract will be returned promptly to the contractor in accordance with the terms of the applicable contract. Empty cable and wire rope reels not returnable will be disposed of in accordance with the Defense Disposal Manual.

25821 CYLINDERS, GAS

1. GENERAL

a. Scope. The procedures in this paragraph are applicable to all gas cylinders listed in Federal Supply Class 8120 of the Navy Stock List of the Yards and Docks Supply Office.

b. Basic Principles. Gas cylinders in store will be carried in the Navy Stock Account. Gas cylinders in use will not be carried in any stores account nor in the plant account. Cylinders will be issued on a free exchange basis when practicable. Credit will be allowed for empty cylinders turned in to store without exchange, and a charge will be made for cylinders issued without exchange.

c. Cylinders in Store. Quantities of filled cylinders maintained at each activity should not exceed a six months requirement based on average gas usage. All cylinders in store will be rotated at least once a year to gas contractors or Navy generating plants when refilling is required in order to maintain the cylinders in a ready for issue condition. Necessary repairs will be effected in accordance with instructions incident to refilling (see subpar. 3).

d. Marking of Weight. When carbon dioxide fire extinguishers are filled and repaired by a local naval activity, the full weight and empty weight of the valved cylinder (without hose and horn attachment) will be stamped on the side of the discharge valve body, if not already stamped thereon. When a valve is replaced by one of a different weight, the weight markings for "cylinder empty" and "extinguisher fully charged" on the nameplate band on the extinguisher will be corrected accordingly. All weight markings will be to the nearest 1/4 pound.

e. Cylinders For Inactive Fleet Ships. Cylinders other than those required for fire-fighting purposes or in tender and ac-

commodation type units for maintenance of the groups and habitability of accommodation ships will be removed and turned in to store ashore upon inactivation. Mobilization requirements will be determined and positioned by the Navy Ships Parts Control Center.

f. Quinquennial Testing. When the expiration period for quinquennial testing of cylinders has been reached or has expired and the cylinders are filled, the gas will not be released for the purpose of conducting the quinquennial test. When such cylinders become empty the quinquennial test will be conducted prior to refilling the cylinders. When empty cylinders which will require quinquennial tests within a 60 day period are on hand such cylinders will be retested prior to being refilled with gas.

2. ACCOUNTING FOR CYLINDERS

a. Issues for Shore Use

(1) Exchange Basis. Gas cylinders will be issued on a free exchange basis when practicable, an empty cylinder being exchanged for a full cylinder of the same stock number. Under such circumstances the only charge will be for the gas issued from store. No distinction will be made between cylinders bearing the Navy symbol and serial numbers and those bearing the Marine Corps symbol and serial numbers in accepting cylinders for refilling, testing, repairing, and reconditioning. However, when possible without undue inconvenience, priority in issuing cylinders to the Marine Corps on a free exchange basis will be given to those cylinders bearing the Marine Corps symbol and serial numbers.

2 Charge Basis. When a full cylinder is issued and no empty cylinder is turned in for exchange, the allotment or project order and the appropriation financing the work or operation requiring the gas will be charged for the gas and for the cylinder. The se charges will be shown on the DOD Single Line Item Release/Receipt Document (DD Form 1348- 1) and Requisition and Invoice/Shipping Document (DD Form 1149) as separate items, each with its own stock number, nomenclature, and price.

b. Issues to Ships

(1) Exchange Basis. Gas cylinders will be issued to ships on a free exchange basis when practicable, an empty cylinder being exchanged for a full cylinder of the same stock number. Under such circumstances the only charge will be for the gas issued from store.

(2) Charge Basis. When a full cylinder is issued to a ship and an empty cylinder is

not turned in for exchange, the gas and the cylinder will be expended to the appropriate appropriation, end use functional account, and operating allotment number.

c. Transfers Between Supply Officers. Cylinders will be transferred locally between supply officers on an exchange basis whenever practicable to avoid the necessity for invoicing cylinders. Cylinders transferred between supply officers without exchange will be invoiced in the Navy Stock Account in the regular manner, except that cylinders turned in by ships will be covered by a priced invoice in accordance with subpar. d.

d. Cylinders Turned in to Store Without Exchange

(1) Taken up in the Navy Stock Account . All cylinders fit for reissue which are returned to store will be taken up in the Navy Stock Account and accounted for as described in subpars. (2) and (3).

(2) Turned in by Shore Activities. Cylinders returned to store by shore activities will be taken up in to store in accordance with the instructions in par. 23186.

(3) Turned in by Ships. The cylinders will be accompanied with a priced invoice prepared in accordance with Afloat Supply Procedures, pars. 5066 and 5067. After screening for acceptability, the receiving activity will issue credit expenditure invoices showing credit to the appropriation, Operation and Maintenance, Navy, applicable fleet command subheads, the appropriate allotment, and the proper end use operating budget. The value of the credit expenditures will be reported on the Financial Inventory Report (NavCompt Form 2154) opposite financial inventory report code J2 "Issues with reimbursement - returns - service use" (see par. 23187-1b).

e. Cylinders Unfit for Reissue. The provisions of subpars. a, b, and d, allowing for credit when gas cylinders are turned in to store do not apply when cylinders are

obviously unfit for reissue and beyond repair. Such cylinders will not be taken up in the Navy Stock Account but will be disposed of in the regular manner.

f. Cylinders Lost or Deteriorated in Store. All cylinders in store which have been lost, have deteriorated, or have been damaged beyond economical repair will be surveyed in accordance with pars. 25155-25165. Cylinders deteriorated or damaged beyond economical repair with an estimated scrap value of less than \$100 (see par. 25156-4) and cylinders lost will be expended as a loss by survey to the Navy Stock Fund. Cylinders deteriorated or damaged beyond economical repair with an estimated scrap value of more than \$100 will be carried on the stock records under the property disposal account as individual items until disposal by sale or transfer.

3. COST OF CYLINDER REPAIR

a. Incident to Refilling. If the gas is manufactured at a naval activity, repair costs incurred as the result of, tests required by the various systems commands and repairing and reconditioning incident to the refilling will be considered as a common cost in the manufacture of the gas and will be accounted for as a "Cost of manufacture". If the gas is purchased from commercial sources, the cost of repairs of the cylinders by the contractor incident to refilling also will be included in the cost of the gas purchased. When cylinders are repaired by naval activities incident to refilling by commercial contractors, the cost of such repairs will be accounted for in accordance with subpar. b(2).

b. Not Incident to Refilling

(1) Procurement. When the Navy Ships Parts Control Center instructs field activities to have certain cylinders tested, repaired, or reconditioned, not incident to refilling, the cylinders will be processed by a naval activity or under a commercial contract, whichever method is more economical and expeditious. Field activities may procure

by order under any available open end contract or by purchase locally within the limitations prescribed by Field Purchasing, par. 1026. Copies of all contracts or orders executed for the repairing, reconditioning, or testing of the cylinders not incident to refilling will be forwarded to the Navy Ships Parts Control Center.

(2) Accounting Repairs made not incident to refilling will be financed under the Navy Stock Fund. At activities not engaged in refilling cylinders, the cost of repairs will be chargeable to the 69000 series of functional accounts and will be accounted for in accordance with subpar. (3) and par. 22085-4b.

(3) Work Performed under Contract. Contractors' bills will be paid on public vouchers with charge to the Navy Stock Fund. The amount paid will be charged to functional account 69501. A copy of each Materiel Inspection and Receiving Report (DD Form 250) showing costs actually incurred will be forwarded to the Navy Ships Parts Control Center to enable that office to evaluate the cylinder repair program.

4. DISPOSITION OF CYLINDERS OF DOUBTFUL OWNERSHIP

a. Determination of Ownership. Navy shore activities may have cylinders in stock which do not bear Navy serial numbers but do bear markings identified with another government agency or a commercial supplier. In such cases, the Navy activity will forward a letter to the Government agency or commercial supplier concerned. The letter will contain all pertinent data and request information relative to possible ownership. When letter replies certify ownership other than Navy, action will be taken in accordance with sub. par. b(2). When letter replies indicate that ownership of the cylinders was transferred to a commercial supplier or another government agency, a second letter requesting information relative to possible ownership will be prepared by the holding activity.

b. Holding Activity Action After Determination of Ownership

(1) Navy Ownership. When a letter reply has been received certifying that the cylinders were sold to the Department of the Navy, the holding activity will request marking instructions from the Navy Ships Parts Control Center and will apply the Navy symbol and serial numbers to the cylinders in accordance with instructions issued by the Navy Ships Parts Control Center.

(2) Ownership Other Than Navy. When a letter reply has been received certifying that

the cylinders are the property of a commercial supplier or of another government agency, the holding activity will return the cylinders to the owner at the expense of the owner.

c. Gases Referred for Settlement. If, after recourse to the procedure in subpar. a, the ownership of the cylinder still cannot be definitely certified, the question then will be forwarded to the Navy Ships Parts Control Center for final settlement.

25822 ELECTRON TUBES

1. ISSUES TO AFLOAT ACTIVITIES AND TO ACTIVITIES IN ALASKA AND HAWAII AND OUTSIDE THE UNITED STATES. Electron tubes except tubes with a standard unit price of \$7 or less will be issued by stock points to afloat activities and to activities in Alaska and Hawaii and outside the United States in the following order of precedence:

1. tested tubes when possible,
2. tubes in original containers when tested tubes cannot be furnished,
3. tubes most recently received (by date of manufacture) when tested tubes or tubes in original containers cannot be furnished.

Tubes with a standard price of \$7 or less will be issued without consideration of tests. Such tubes will be tested only if reported to be failing excessively or upon special request of the Navy Ships Parts Control Center (Electronics) (see tube testing directive).

2. ISSUES TO ACTIVITIES WITHIN THE UNITED STATES EXCEPT ALASKA AND HAWAII. Electron tubes will be issued to activities within the United States except Alaska and Hawaii in the same order of precedence indicated *in* subpar. 1 provided such issue does not jeopardize the issue of good tubes to afloat activities and activities in Alaska and Hawaii and outside the United States.

3. RECORD OF SALES, DONATIONS, OR TRANSFERS OF ELECTRON TUBES CONTAINING RADIOACTIVE MATERIAL. A record of all sales, donations, or transfers of electron tubes containing radioactive material to organizations outside the Naval Establishment will be maintained by the control division. This record will contain the customer's name, appropriate expenditure document number, stock number or tube type description, date of transaction, and quantity. The record will be kept current at all times and will be made available for inspection upon request.

4. SPECIAL PRECAUTIONARY INSTRUCTIONS FOR SHIELDING OF CERTAIN ELECTRON TUBES AND PERMANENT MAGNETS PRIOR TO SHIPMENT BY AIR. Certain electron tubes and permanent magnets require

special shielding, marking, and handling for shipment by air. The Navy Ships Parts Control Center (Electronics) furnishes lists of such electron tubes and magnets to all stock points for cognizance symbol N material. Stock points will annotate stock records and technical records appropriately and insure that personnel responsible for the handling, marking, packaging, packing, and shipment of such material are aware of the procedures which must be followed (see par. 27056 and Volume V).

25823 FUNERAL FLAG

1. **AUTHORITY FOR ISSUE.** Commandants of naval bases, commanding officers of ships, senior officers present, and commanding officers of naval hospitals are authorized to issue the national flag (U.S. National Ensign No. 8, cotton) to accompany all bodies of Navy or Marine Corps personnel forwarded or delivered to the next of kin or relatives for private interment.

2. **ACCOUNTING FOR ISSUES.** Funeral flags will be expended by the issuing supply officer on a DOD Single Line Item Requisition System Document (DD Form 1348 or DD Form 1348m) or a Requisition and Invoice/Shipping Document (DD Form 1149) as a charge to the appropriation, Operation and Maintenance, Navy, subhead .1840. Detailed accounting information is provided in the Navy Comptroller Manual, par. 023304 under Open Allotments Authorized by the Bureau of Medicine and Surgery.

25824 INSTRUCTIONAL PUBLICATIONS CONCERNING EQUIPMENT

In many instances, books, pamphlets, and other publications pertaining to the use and maintenance of equipment are furnished by the manufacturers of such equipment. In some cases, however, additional instructional publications are purchased and distributed by the responsible bureau, command, or office. Publications purchased by bureaus, commands, and offices are to be taken up in stock and issued at no price and they are not to be carried in any stores account.

25825 STANDARD PALLETS

1. **DESCRIPTION.** Standard pallets are described in Military Standard--Materials Handling Equipment (ML-STD-137 as amended).

2. **SPECIAL PURPOSE AMMUNITION PALLETS.** The instructions in subpar. 3 and 4 do not apply to special purpose ammunition pallets or their accessories. When special purpose pallets are transferred between activities or are carried in stock, they will

be accounted for in the same manner provided for other technical ordnance material.

3. **TRANSFER BETWEEN ACTIVITIES.** When stores are shipped on standard pallets between various naval activities the pallets will be returned to the shipping activity when they are unburdened if it is economically feasible. If return is not economically feasible the pallets will be retained by the receiving activity without charge.

4. ACCOUNTING FOR PALLETS

a. Purchased or Manufactured. At activities where the handling, storing, and issuing of material is chargeable to the appropriation, Operation and Maintenance, Navy, applicable Naval Supply Systems Command subheads, the cost of pallets will be charged to the allotment of the activity under that appropriation. At all other activities, the cost of the purchase or manufacture of pallets will be charged to the appropriation concerned. Pallets purchased or manufactured directly under an annual appropriation will be taken up on the Appropriation Purchases Account and immediately expended on a Requisition and Invoice/Shipping Document (DD Form 1149) to the appropriate functional account.

b. Return to Store. Pallets which have been expended in accordance with subpar. a, and have accumulated in excess of the prospective needs of the activity in such quantities as to justify possible transfer to other activities for use, will be turned in to store in the Appropriation Purchases Account on DD Form 1149 crediting the appropriate functional account. Thereafter, such pallets returned to store will be retained in the Appropriation Purchases Account pending transfer or future issue.

25826 PHOTOGRAPHIC EQUIPMENT AND SUPPLIES

1. **GENERAL.** Photographic equipment, supplies, accessories, and photographic aircraft parts assigned cognizance symbols 1R, 2R, and 2W are listed in the Catalogs of Navy Aviation Materials and the Navy Management Data List.

2. ACCOUNTING FOR ISSUES AND TRANSFERS

a. Issues to Fleet Aviation Squadrons and Units Supported by the Naval Air Systems Command. Requisitions submitted by ships supporting aircraft will contain a statement as to the extent material is ordered for installation in or use by aircraft. All aircraft when assigned to other than shore

activities are considered afloat units supported by the Naval Air Systems Command. Issues of cognizance symbols 2R and 2W items financed by Naval Air Systems Command appropriations do not require reimbursement and may be charged to the user's allotment for statistical purposes, or to miscellaneous account 17X1995 and fund code Y6.

b. Issues to Ships and Other Fleet Units. Initial issues of photographic supplies, and replenishment issues of supplies and equipment for ships and other fleet units are, charged to allotments authorized by the cognizant systems command or fleet command. This includes shipboard laboratory equipment and photographic supplies used therein, such as chemicals, paper, and film issued for shipboard use. All items appearing in the NAVAIR Section P Initial Outfitting List used in connection with the fitting out of a newly constructed or converted vessel are chargeable to the outfit supply allotment issued by the Naval Sea Systems Command and held by the outfit supply activity (OSA). Navy Stock Account requisitions submitted by active ships and miscellaneous fleet units for items listed in the NAVAIR Selection P Allowance List will be prepared under appropriate fleet command subheads of the appropriation, Operation and Maintenance, Navy, and applicable bureau control number. Appropriation Purchases Account Material is requisitioned and provided without charge to the user.

c. Transfers of Photographic Supplies and Equipment. Stock points will invoice the value of photographic equipment and supplies in the account in which carried. Except for activities specifically authorized, photographic material will not be carried in a stores account; material will be expended to end use immediately upon receipt. Expenditures of cognizance symbols 2R and 2W photographic material, when issued to activities other than activities for which the Naval Air Systems Command has primary responsibility, will be processed as reimbursable issues in the manner prescribed in the Navy Comptroller Manual, par. 032502, with credit to the applicable appropriation and subhead cited in current transactions issued by the cognizant inventory manager or applicable directive of funding command.

3. MATERIAL ISSUED FOR DISASSEMBLY. Material issued for disassembly purposes in accordance with par. 22085-5d.

25827 EMERGENCY AND EXTRA-ORDINARY EXPENSES

1. GENERAL. The Secretary of the Navy under the authority of Title 10, U.S. Code, sec. 140, is authorized to provide for emergency and extraordinary expenses within the limits of the appropriation, Operation and Maintenance, Navy, subhead .129X, Official Representation Funds.

2. OPERATING BUDGET PROCEDURE. Authorization for expenditures under the appropriation, Operation and Maintenance, Navy, subhead .129X will be made upon request and approval submitted in letter form to the Assistant for Administration/Under Secretary of the Navy (SFRMD) via the cognizant subprogram manager and appropriate command channels. Subprogram managers are the Secretary of the Navy, the Chief of Naval Operations and the Commandant of the Marine Corps. Generally, only those requests which are not legally chargeable to any other Navy appropriation will be considered. All requests for funding will specify the amount and purpose for which desired. Expenditures will only be made for the purpose specified in the resource authorization. Requisitions are not required to cover expenditures under these authorizations.

3. EXPENDITURES AND REPORTS

a. Purchases. Once the resource authorization is approved, either by the Subprogram manager, or for special cases, the Secretary of the Navy, and issued, expenditure vouchers including dealers' or vendors' invoices, any other supporting documents and the correct appropriation data will be submitted direct to a local disbursing officer for payment. The paying disbursing officer will forward two copies of each paid voucher to the operating budget holder. When directed in the resource authorization, the operating budget holder will forward a copy of each paid voucher with the NAV-COMPT Form 2199 to the operating budget grantor.

b. Issues. When issue of material is authorized, the operating budget holder will furnish the officer making issue of material an order directing the issue. The original order which should include the correct appropriation data, will be attached to the document on which issue is made and will serve

as authority for the expenditure. The issuing officer will furnish the operating budget holder two copies of the expenditure invoice with a copy of the order. When directed in the resource authorization, the operating budget holder will forward a copy of each invoice with the NAVCOMPT Form 2199 to the operating budget grantor.

25828

2 5 8 2 9 D R U M S

1. DEFINITION. A used drum is one which requires reconditioning or reprereservation prior to use whereas new and reconditioned drums are ready for use (see par. 23088).

2. TRANSFERS BETWEEN SUPPLY OFFICERS

a. Empty Drums

(1) New or Reconditioned in Store. Transfers will be invoiced in the stores account in which carried, normally the- Navy Stock Account, in the regular manner.

(2) Used Drums Not Returnable to Contractor for Credit. Transfers will be made on memorandum invoice at no price.

(3) Used Drums Returnable to Contractor for Credit. Transfers of such drums will be

invoiced at the refund value as covered by the contract bulletin, provided it has been ascertained that the contractor will accept the drums for refund.

b. Drums as Containers for Packaged Products. Products packaged in containers will be transferred as a drum of product. Containers will not be invoiced separately from the product (see par. 23088-lb).

3. ISSUES

a. Empty Drums

(1) New or Used Reconditioned in Store. Issues will be made as for other stock items in the regular manner.

(2) Used Drums Requiring Reconditioning or Represervation. Issues or transfers will be covered by memorandum unpriced invoice.

b. Drums as Containers for Packaged Products. Issues will be made in the regular manner as for other stock items, the price of the drum being included in the price of the drummed product.

4. USED DRUMS

a. Drums Suitable for Reuse After Reconditioning or Represervation. Drums which are not returned to the contractor for the refund value or which have been in the Navy Supply System and which require reconditioning or represervation will be handled in accordance with par. 23088. Transfers will be made on memorandum invoice at no price.

b. Used Drums Not Suitable for Reuse. Drums screened in accordance with par. 23088 and rejected as unsuitable for reuse will be disposed of in accordance with par. 23088.

5. RETURN OF DRUMS TO CONTRACTORS

a. General. Drums purchased with option of return will become the property of the Government upon delivery and their return to the contractor will be at the discretion of the Government. If practicable, they will be returned to the contractor and reimbursement will be obtained.

b. Accounting for the Return of Drums to Contractors

(1) Within Time Limit of Contract. When returnable drums taken up in the Navy Stock Account in accordance with par. 23088 are returned to contractors, they will be expended from the Navy Stock Account as a

cash sale, in accordance with par. 25348. The DOD Single Line Item Release/Receipt Document (DD Form 1348-1) will be used to effect the return. The DD Form 1348-1 will show the number of the contract under which the containers were received and will be priced at the book value, which will be the refund value as covered by the contract bulletin.

(2) Not Within Time Limit of Contract. When returnable drums are not received in time to be returned within the contract time, but the contractor agrees to accept such drums for refund, they will not be taken up in any stores account. The supply officer will maintain sufficient records to insure the receipt of payment for any such drums and the refund will be credited to Navy General Fund Receipt Account 173099, Miscellaneous Recoveries and Refunds, not Otherwise Classified.

c. Reimbursement for Drums Returned to Contractors. When drums are released for shipment to a contractor, a statement of the value of the drums will be transmitted to the contractor with a request that a check for the value, drawn to the order of the Treasurer of the United States, be forwarded to the activity returning the containers. The contractor will be advised that credit memoranda submitted for deduction against current billings are not acceptable. The check received from the contractor will be forwarded to the disbursing officer who normally receives the proceeds of cash sales made by the activity, with a statement as to whether the containers were returned to the contractor within the time fixed by the pertinent contract, with reference to the number of the contract. It will be the responsibility of the supply officer to maintain a followup for drums returned to the contractor until settlement is effected.

d. Drums Owned by the Marine Corps. If drums can be returned to the contractor for refund within the time fixed by the pertinent contract, supply officers ashore may accept used drums belonging to Marine Corps units for return to contractors. Such drums will be listed separately from Navy owned drums and a separate check will be obtained from the contractor to be turned over to the Marine Corps unit concerned. Used drums turned into store by the Marine Corps otherwise will be handled in the same manner as provided for used drums turned into store by Navy activities.

25830 DISPOSITION OF USED OFFICE LABORSAVING DEVICES AND MANUALLY OPERATED TYPEWRITERS

Used office laborsaving devices and manually operated typewriters which are excess

to the needs of an activity and are not required as trade-in material will be reported to the primary support bureau, command, or office. If the machines are required at another activity under control of the primary support bureau, command, or office, transfer will be effected in accordance with instructions issued by that bureau, command, or office. If machines are not required by the primary support bureau, command, or office and no other disposition instructions are furnished, excess machines will be surveyed and processed in accordance with the Defense Disposal Manual.

25831 TRANSFERS AND SALES OF
MEDICAL AND DENTAL
MATERIAL PREVIOUSLY
CHARGED TO END USE

1. SCOPE. All transfers of medical and dental material previously charged to the appropriation, Operation and Maintenance, Navy, applicable Bureau of Medicine and Surgery, subheads, for use by other government departments, foreign governments, and private parties, will be made on a reimbursable basis with reimbursement to the appropriation, Operation and Maintenance, Navy, applicable Bureau of Medicine and Surgery subheads. Such transfers will not clear through any stores account. When a sale to a private party is authorized, cash will be obtained in advance or at the time the material is issued or delivered. When medical or dental material is authorized to be transferred to another government department or to a foreign government, action to effect collection will be taken by the Bureau of Medicine and Surgery.

2. REIMBURSABLE TRANSFERS OF MEDICAL AND DENTAL MATERIAL. Reimbursable transfers of medical and dental material will be accomplished on a DOD Single Line Item Release/Receipt Document (DD Form 1348-1). The issuing officer will insure that DD Form 1348-1 is itemized and includes the following information:

1. invoice number; unit identification code, and name of issuing activity;
2. name of agency, activity, or person to whom material was transferred;
3. reference to authority for transfer of the material;
4. total book value of the material transferred;
5. credit to the appropriation, Operation and Maintenance, Navy (current at the time of transaction), subhead. 1840; (Detailed accounting information is provided in the Navy Comptroller Manual, par. 023304 under Open Allotments Authorized by the Bureau of Medicine and Surgery.)
6. surcharge will be applied, if applicable, in accordance with pars. 25315 and

25316;

7. reference to authority under which requisitioned and the typed name and grade or rate of the individual receiving the material;
8. signature of the individual receiving the material in the receipt section on the original and one copy of the invoice (if receipt cannot be obtained on the invoice, an original and one copy of a signed receipt will be obtained from the individual receiving the material, the original will be attached to the original invoice, and the copy will be attached to the copy of the invoice to be forwarded to the Bureau of Medicine and Surgery);
9. symbol number of the disbursing office and the name and grade of the disbursing officer in whose account the collection will be reported, when collection is made locally;
10. a notation "This sale will not be reported in any stores account".

3. DISTRIBUTION OF INVOICES. When cash is collected for the medical and dental material transferred, the original and five copies of DD Form 1348-1 will be delivered daily to the disbursing officer with the proceeds of the sale. The original of DD Form 1348-1 will be receipted by the disbursing officer and the original and one copy will be returned to the transferring activity. The transferring activity will retain the receipted original and will forward the copy to the Bureau of Medicine and Surgery (Comptroller Division) at the end of the month. When cash is not collected locally, the original and five copies of DD Form 1348-1 will be forwarded to the Bureau of Medicine and Surgery (Comptroller Division) at the end of the month.

25832

25833 ISSUES OF DRY CELL BATTERIES

Activities issuing dry cell batteries will insure that upon issue the "Place in use before" date is marked on the container, unit package, or individual dry cell battery. The "Place in use before" date will be determined from the date code stamped by the manufacturer on the container, unit package, individual dry cell batteries, or the Electronics Supply Office Dry Cell Battery Shelf Life Tables. When dry cell batteries are shipped in case lots, the "Place in use before" date will be marked on the shipping containers and all shipping documents. The activity opening the container is responsible for marking the "Place in use before" date on the unit package so in the event more than one battery is packed per unit package, the "Place in use before" date will be marked on the individual batteries upon opening the unit package.

25834 NUCLEAR WEAPONS MATERIAL

1. GENERAL. The Navy Ships Parts Control Center and the Field Command, Defense Nuclear Agency, are inventory control points for all material except explosive components related to support of special weapons. The Naval Supply Centers (Code 900), Norfolk and Oakland, are the Navy distribution and issue points for all nonexplosive Navy special weapons material. Special weapons material is not carried in a Navy stores account. When material is issued in support of the special weapons program, it will be expended to an end use functional account at the time of issue from system stocks or procurement from commercial sources under Navy contracts.

2. ACCOUNTING FOR ISSUES. Supply activities issuing Appropriation Purchases Account or Navy Stock Account material to the Naval Supply Centers (Code 900), Norfolk and Oakland, in support of the special weapons program, will expend the value of such material to the appropriation, subhead, allotment, and end use functional account designated by the inventory control point authorizing release of the material. If the accounting data is not furnished with the shipment directive, it will be requested from the originating bureau, command, or office.

3. ACCOUNTABILITY FOR TEST, TRAINING, AND HANDLING EQUIPMENT. A Controlled- Equipage Custody Record (NavSup Form 306), will be maintained by field activities, including naval ammunition depots and naval weapons stations, for each item of nuclear weapons test, training, or handling equipment authorized to be held in accordance with allowance lists issued by the Navy Ships Parts Control Center or other authority. The custody records will be maintained in accordance with the controlled equipage procedures described in Afloat Supply Procedures (NavSup P-485), pars. 6090-6093. Signatures are required in custody records for items which are coded "S" in Part IIIB of the Nuclear Weapons Coordinated Shipboard Allowance List (COSAL).

25835 WOMEN'S CLOTHING STORES

1. AUTHORIZATION TO STOCK. All retail clothing stores are authorized to carry a complete range of women's uniform items. The decision to stock a complete or limited range of women's clothing should be based on the requirements of the customer population of each activity.

2. MAIL ORDER SALES. The Naval Station, Newport, is the only retail clothing store authorized to accept mail orders for women's retail clothing items from naval personnel located in areas beyond a reasonable distance from a retail clothing store and from other authorized patrons as provided in par. 42002. Mail orders, will be processed as prescribed in par. 42201. Individual orders should be forwarded to:

Clothing Officer
Building 122
Naval Station
Newport, R.I.

25836

25837 ACCOUNTABILITY FOR COMPLETE AIRCRAFT

Since complete aircraft are not carried in any stores or equipage account, but are charged to an end use functional account in the 31000 series at the time of purchase, invoicing of complete aircraft between supply officers is not required. However, in order to maintain a continuous chain of custodial responsibility incident to the transfer and acceptance of aircraft, the Standard Inventory Log for Aircraft will invariably be used as an instrument of transfer. No aircraft will be transferred or accepted without a Standard Inventory Log. Such aircraft, including installed engines, as may now be carried on the books of the supply officer in the Appropriation Purchases Account, will be expended to the appropriate end use functional account in the 31000 series.

25838 SPARE AIRCRAFT ENGINES

1. ASSIGNMENT. Spare engines for fleet aircraft are assigned by types and not specifically by designating numbers. Under ordinary conditions these engines are delivered and invoiced direct to the supply officer of the air station concerned, and will be retained on his books for use of the fleet as needed.

2. ACCOUNTING. The cognizant supply officer will carry spare aircraft engines in the Appropriation Purchases Account at a standard price. No change in this standard price will be made as a result of any repair, overhaul, or change order. In accounting for aircraft engines, the Aircraft Engine Record (NavAir Form 13700/3) may be used in lieu of Stock Record Card (NavSup Form 766) or Stock Balance Card (NavSup Form 801). If records are maintained on the NavAir Form 13700/3, adequate controls will be established to insure proper reflection of aircraft engine receipt and expenditure transactions in the Appropriation Purchases Account financial inventory ledgers.

3 . ISSUES AND TRANSFERS

a. Accessories to be Included. All activities and units issuing either new or reconditioned engines, or turning in used engines for shipment or overhaul, or transferring engines under any conditions, will furnish all accessory items and components listed in current Naval Air Systems Command issuances applicable to the type of engine concerned. If all the accessories and components cannot be furnished, a signed statement will be submitted as required in subpar. c. In addition, a complete installation of "bits and pieces", i.e., tubing attached to the engine, cylinders, push rods, rocker box covers, etc., always will be included.

b. Inventory List. An inventory list comprising all accessory items as listed in current applicable Naval Air Systems Command issuances for the specific engine will be prepared each time a transfer takes place. This inventory list will be signed by the commanding officer or officer in charge of the transferring activity and will indicate the status of each item, i.e., on hand or missing on inventory.

c. Missing Items. If, for any reason, activities transferring engines cannot furnish the accessory items and other component parts that apply to the specific engine, the commanding officer or officer in charge of the activity or unit concerned will furnish as part of the inventory list a signed statement explaining why the missing items are not available. This statement and inventory list will be submitted to the cognizant fleet or training command and to the Navy Aviation Supply Office. Additional signed copies will be prepared for the Naval Air Systems Command and for inclusion in the engine log book. Each overhaul activity will verify the statement of parts shortages and, when discrepancies are found, will notify the cognizant fleet or training command and the Navy Aviation Supply Office.

d. Preservation. All engines being turned in or transferred to another activity will be preserved in accordance with General Engine Bulletin No. 38 and any revisions of that bulletin.

25839 ENGINE CONTAINERS

1. **EMPTY CONTAINERS.** Empty engine containers in stock will be carried at the unit price list in the Quarterly Stock Status Report. Empty containers

will be transferred at the carrying price. When issued for use, the money value of the containers will be expended to functional account 39999. Empty containers returned to stock will be taken up on the stock records as material turned in to store.

2 . **ENGINE CONTAINERS CONTAINING ENGINES.** When engine containers in stock are used to house aircraft engines, the-value of the containers will be expended to functional account 39999. Such containers will be considered as a component of the engine; therefore, separate pricing and invoicing is not required except when transfers are made on a reimbursable basis.

3. **SURPLUS CONTAINERS.** Metal engine containers will not be furnished at the time engines are sold as surplus. In such instances wooden containers will be furnished. Metal engine containers will be sold, as surplus only when declared excess to the aeronautical program by the Navy Aviation Supply Office.

25840 TRANSFERS OF AIRCRAFT ENGINES AND CONTAINERS ON A REIMBURSABLE BASIS

When aircraft engines and containers are transferred on a reimbursable basis and standard prices have not been established, the sales price of both the engine and the container will be obtained from the Naval Air Systems Command. When the sale price of the engine is less than the standard price, the difference will be expended as a loss by sale, functional account 99207. The sale price of the container will be accounted for as a gain by accounting adjustment.

25841 FLIGHT CLOTHING AND OPERATIONAL EQUIPMENT

1. DESIGNATED NAVY AND MARINE CORPS PERSONNEL

a. Permanent Flight Status Personnel. Personnel designated as naval aviators, naval flight officers, naval aviation pilots, naval flight surgeons (while in a flight status), antisubmarine warfare operators or student naval aviators/flight officers (under orders to basic training) are eligible to receive any or all authorized articles of flight clothing and flight operational equipment, but not in excess of one complete outfit (two flight suits authorized).

b. Crew Members. Personnel designated as crew members, other than those authorized in subpar. a, are eligible to receive flight clothing and flight operational equipment as authorized by the Naval Air Systems Command Allowance List, Section H (NAVAIR 0035QH-2).

c. Nonaviation Personnel. Cognizant project managers considering the use of aviation flight clothing/operational equipment for support of nonaviation personnel will coordinate the intended program requirement with COMNAVAIRSYSCOM (AIR-412). AIR-412 will coordinate with AIR-05 and Naval Air Development Center as necessary. An allowance request should be forwarded with supporting technical evaluation documentation assuring the airborne equipment is satisfactory in a nonairborne environment. Upon review and endorsement the appropriate allowance will be included in the Naval Air Systems Command Allowance List, Section H.

2. AVIATION ANTISUBMARINE WARFARE OPERATIONS (AW). Aviation antisubmarine warfare operators (AW) will be issued an Aviators Flight Log Book (OpNav Form 3760-31) and initial flight clothing allowance upon completion of AW training and immediately upon receipt of orders to their first assignment in a duty involving flight status.

3. NAVY AND MARINE CORPS RESERVE PERSONNEL

a. Active. Navy and Marine Corps reserve personnel ordered to active duty involving flying for a period in excess of six months may be furnished a complete outfit of clothing in the same manner as those issued to regular Navy and Marine Corps personnel.

b. Inactive. Eligible personnel of the Navy and Marine Corps Reserve on inactive duty may be issued flight clothing as directed by the Chief of Naval Reserve.

4. OTHER PERSONNEL. Personnel other than those listed in subpars. 1, 2, and 3 requiring flight clothing for flight purposes will be issued clothing from the pool, as described in par. 25842.

5. WINTER FLIGHT CLOTHING. Winter flight clothing will not be issued on a personal issue basis. Items will be drawn on custody receipt from support-

ing activities in accordance with directives issued by cognizant commands.

6. AUTHORJTY TO STOCK SAFETY FLYING BOOTS. Activities may maintain stocks of safety flying boots necessary to support aviation programs without additional authority when such stock is carried for ultimate charge to aviation program funds.

7. ORIGINAL OUTFITTING

a. Record of Custody. The initial issuing activity will record issues in the appropriate column of the "Record of Flight Equipment Issue" (OpNav 3760/32 B). Items not available and necessary after the initial issue is made subsequently may be issued by any supply activity carrying stocks of flight clothing, and appropriate entries will be made in the OpNav 3760/32 B flight equipment issue record by the activity flight gear custodian. When items required are not in stock at the issuing activity and are ordered for direct delivery to the unit to which the individual authorized to receive flight clothing and equipment is attached, the entry in the OpNav Form 3760/32 B will be the responsibility of the commanding officer of the unit or his designated representative. Entries also will be made when the items are returned so that the flight equipment issue record always will reflect the items in the custody of the authorized individual. When the OpNav Form 3760/32B is filled and a successive form is used, the quantities carried forward to the new form will reflect total items issued for each category of flight clothing and equipment and will be validated by signature of the individual having custody and of the individual issuing the new OpNav Form 3760/32B. ↑

b. Custody. Each individual authorized to receive flight clothing and equipment may retain such items issued to him as long as he is assigned to duty requiring the use of such articles. Since flight clothing and equipment is government property in the temporary custody of the individual, he will be responsible for its care and preservation. Flight demonstration team personnel provided with special flight clothing for public appearances will be reimbursed from appropriated funds for dry cleaning costs, including commercial off-base services, when required pursuant to official performances. Upon change of duty station involving flying, either temporary or permanent, he will carry this outfit with him as part of his personal baggage. When the individual is transferred to duty

where certain articles of flight equipment are not required, such articles will be turned in to the flight gear custodian prior to departure.

c. Invoicing and Stock Record Keeping

(1) General. When a request for flight clothing or equipment is received, either verbal or written, the supply/material officer will ensure that a priced DOD Single Line Item Requisition System Document (DD Form 1348) is prepared whether or not the material is available for issue. The DD Form 1348 will be forwarded to the stock control branch for appropriate recording. If the material for initial outfitting purposes is available, for issue, the issue will be recorded as a nonrecurring demand; if not available for issue, a nonrecurring obligation will be established. If the material to replace worn, damaged, lost, or overage items is available for issue, the stock control branch will record the issue as a recurring demand; if not available for issue, a recurring obligation will be established.

(2) Flight Clothing and Operational Equipment. The value of flight clothing and operational equipment issued from the Navy Stock Account will be charged to the current appropriation, Operations and Maintenance, Navy, applicable to the aviation squadron, command, or station concerned. Receipt of the material will be acknowledged by the receiving activity flight gear custodian. He will then annotate the proper sub-custody form, OpNav 3760/32B, "Record of Flight Equipment Issue." The following certifications on the form are required for individual issue:

Date Action Code Issued By Received By

Sub-custody will be accomplished in the following manner: The activity flight gear custodian will initiate OpNav 3760/32B in duplicate for articles of flight equipment issued. The original of the form will be forwarded to the aircrew training or operations department for inclusion in the individual's NATOPS flight training jacket, OpNav 3760/32. The flight gear custodian will retain the second copy as a receipt for items issued. All subsequent flight clothing/flight operational equipment transactions will be posted in this manner. Upon transfer of a member to duty in a flying status, the flight gear custodian's copy of the OpNav Form 3760/32B will be forwarded to the gaining activity by mail. Squadron check out pro-

cedures should include the flight gear custodian's initials on check out sheets to ensure this action is taken. When an individual transfers to a nonflying assignment, the flight gear custodian will record the return of his flight equipment on the OpNav 3760/32 B found in the NATOPS Training Jacket. The individual will also initial each such transaction. At this time, the duplicate 3760/32B should be destroyed.

8. EMERGENCY ISSUE

a. Individuals Attached to Ashore Based Units. In case of emergency issue of flight clothing by other than the supply officer of the activity to which the individual is attached, the supply officer making the issue will invoke the material as a transfer between supply officers to the accountable supply officer of the activity to which the individual attached. The notation "Emergency issue, Naval Supply Systems Command Manual, par. 25841", will be entered on the face of the invoice and receipt of the clothing acknowledged there on by the individual to whom the clothing is issued. The accountable supply officer of the activity to which the individual is attached, upon receipt of the invoice, will obtain a properly prepared DD Form 1348 from the command responsible for supporting the individual. Issues of Navy Stock Account material will be charged to the current appropriation, Operations and Maintenance, Navy, of the supporting command. Proper entries will be made in the custodian's flight clothing record.

b. Individuals Attached to Afloat Units. When the individual is attached to an afloat unit, Navy Stock Account material will be issued only after approval of the appropriate unit commander and will be charged to the current appropriation, Operations and Maintenance, Navy, applicable to the command involved. The supply officer making the issue will forward by mail a receipted copy of the invoice to the supply material officer of the unit to which the individual is attached. The following notation will be made on the invoice:

"Emergency Issue Naval Supply Systems Command Manual, par. 25841. Material listed in this invoice will be entered in custodian's flight clothing record."

9. LOST OR MISSING FLIGHT CLOTHING. Articles of flight clothing lost or missing will be surveyed by inserting a brief explanation as to the

cause and responsibility for the loss on DD Form 1348 submitted to the supply department for the replacement item. This statement must be approved and signed by the commanding officer of the unit to which the individual having custody is attached. A formal survey will be directed by the commanding officer when the circumstances are considered to warrant such action.

10. **MARKING.** The name, rank, and squadron insignia of the individual may be placed on articles of flight clothing. However, such markings will be placed on separate material and sewed or stamped on in such a manner that they may be removed without damaging or defacing the flight clothing. Markings other than name, rank, and squadron insignia are not authorized except for protective helmets which may be painted any color or combination of colors, approved by the squadron commander, providing only lacquer based paint is used. Use of reflective tape rather than paint is encouraged.

11. **ISSUES OF FLIGHT CLOTHING AND RELATED EQUIPMENT TO AIRCRAFT, FLEET MARINE FORCE UNITS MAINTAINING SUPPLY OFFICERS' STORES FOR ULTIMATE USE IN THE OPERATION, ROUTINE UPKEEP, AND SERVICING OF AIRCRAFT.** Issues of flight clothing and flight operational equipment to aircraft, Fleet Marine Force units maintaining supply officer's stores will be charged to the current appropriation, Operations and Maintenance, Navy.

12. **TURN IN OF ORGANIZATIONAL FLIGHT EQUIPMENT.** Items of flight equipment designated as squadron organizational equipment will not be retained by flight personnel when transferred. These items will be returned to the flight equipment pool for retention and re-issue.

25842 FLIGHT CLOTHING AND PARACHUTE POOLS

1. **ESTABLISHMENT.** The supply officer of an aviation supply activity or the supply or material officer of the fleet aviation unit will arrange for the establishment of flight clothing and parachute pools sufficient to meet necessary operational requirements. The commanding officer will designate an officer, other than an officer connected with the supply department, to operate the flight clothing and parachute pool.

2. **STOCKING AND CUSTODY.** Issues of flight clothing, flight operational equipment, and parachutes to the pool by the supply officer will be made on DOD Single Line Item Requisition System Document (DD Form 1348). Items of Appropriation Purchases Account flight clothing so transferred will be expended as a statistical charge to the current appropriation, Operation and Maintenance, Navy, subhead .1920 functional account 33020, and appropriate allotment of the aviation squadron or station concerned. Navy Stock Account material will be charged to the Series B aircraft operation allotment applicable to the command involved and functional account 33020. Initial outfitting of the flight clothing and parachute pool will be considered by the supply officer as a nonrecurring issue; subsequent issues to replace torn, lost, or overage items will be considered as recurring issues. Flight clothing and parachute pools operated by squadrons will carry only those items' and quantities authorized by the Naval Air Systems Command Allowance Lists. Controlled-Equipage Custody Record (NavSup Form 306) need not be maintained by the issuing supply officer for items issued to fill flight clothing and parachute pools or the authorized Section H Allowance Lists. The squadron commanding officer or his designated representative will be responsible for the accountability of equipage items carried in the flight clothing and parachute pools as prescribed in Afloat Supply Procedures, par. 6092. Normally, used articles of flight clothing and equipment will be issued to these pools; new items will be issued only when used material is not available. For hygienic reasons, safety flying boots will not be included in the pool.

3. ISSUES

a. **General.** When an individual not otherwise eligible requires flight clothing and equipment for flight purposes, such items as are needed will be furnished to him from the pool; a custody receipt will be signed by him for the items furnished. When there is a break of more than five days in the continuity of orders to duty involving flying or the flights for which the clothing was needed, the individual will return the items to the pool, at which time the custody receipt will be surrendered. If an individual being transferred from one station to another requires flight clothing en route, the necessary clothing will be issued from the flight clothing pool and will be covered by a custody receipt signed by the individual. Such clothing will be invoiced by the issuing activity

to the activity to which the individual is being transferred. Original signed custody receipts will be attached to the original invoice. Prior to invoicing, the issuing activity will take necessary action to credit the appropriation, subhead, allotment, and functional account charged at time of issue of clothing to the flight clothing pool.

b. Student Pilot Personnel. Student pilot personnel, when commencing pilot training, will be furnished two pair of coveralls, summer, flying, polyamide (one extra may be issued for use in extreme hot weather), one survival knife and sheath, and one shroud cutter from the pool; a custody receipt will be signed by him for the items furnished. Upon completion of the orders to duty involving preflight training, the individual will return the items to the pool at which time the custody receipt will be surrendered.

25843 DIVERS' AND SWIMMERS'
CLOTHING AND ACCESSORY
OPERATIONAL EQUIPMENT

1. GENERAL

a. Scope. This paragraph provides procedures and instructions for the issue, transfer, custody, replacement, repair, marking, pooling, and survey of divers' and swimmers' material. This material is divided into two classes:

1. items of personal diving gear,
2. items of accessory equipment,

b. Eligibility. Navy personnel and Marine Corps personnel assigned to Navy units designated as qualified divers or underwater swimmers are eligible to receive any or all specified items of personal diving gear and accessory equipment upon successful completion of diving, underwater demolition team, or underwater swimmer school, and after designation as a diver or underwater demolition team member.

2. PERSONAL DIVING GEAR

a. Outfit. The complete outfit of personal diving gear consists of a swimmer's wet suit, including Basic wet suit:

Blouse, with zipper front and long sleeves
Trousers
Hood
Vest, with zipper front (optional)

Other items:

Face mask
Swim fins
Socks, thermolite rubber (flipper slippers)
Gloves, thermolite rubber (optional)
Gloves, leather, work
Swim trunks, cotton, khaki
Supporter, athletic
Underwear, woolen, waffle weave (optional)
Canvas bag/container (gear transporter).

All explosive ordnance disposal and underwater demolition team divers have an operational requirement for diving equipment meeting the nonmagnetic limits set forth in specification MIL-M-19595.

b. Individuals

(1) Original Outfitting

(a) Issue. Following a careful fitting on the basis of individual measurements, the basic wet suit will be procured locally and issued immediately. Because of the personal nature and the need for close fit in this item, the wet suit will be expended from record upon issue; hence, it will not be stocked in quantity or carried on stock records either before or after issue. The other items of the outfit are also of a personal nature and will be similarly expended upon issue. However, these items do not suffer such rigid tolerance as wet suits and may be stocked in quantities of different sizes and manufacture.

(b) Record of Custody. Upon initial receipt, the diver or swimmer will sign duplicate custody records of issue. One copy will be kept by the supply officer and the other copy will be placed in the recipient's service record. Additional entries will be made upon each subsequent issue or return of (damaged, worn, etc.) gear. Each additional entry will be dated and initialed by the diver and the supply officer issuing or receiving the gear.

(c) Loss of Custody Records. If both copies of the custody record are lost, the individual concerned will submit a request to his commanding officer for a duplicate set of records of personal diving gear. The request will be prepared in triplicate, setting forth the circumstances of the loss, including a statement as to the status of the applicant's personal diving gear. Upon approval of such request, the commanding officer will have a duplicate set of personal diving

gear records prepared and issued. The duplicate records will be inscribed and brought up to date according to information in the applicant's request. On the duplicate records, the previous receipt of items will be indicated by entering "Applicant's letter dated _____" opposite each item acknowledged by the applicant to have been previously received. Each such entry will be over-stamped with name and grade of, and initialed by, the officer issuing the duplicate personal diving gear records. The applicant's request will then be endorsed by the officer issuing the duplicate records to indicate action taken. The duplicate set so authenticated will be accepted in lieu of the original by all issuing officers.

(d) Transfer of Custody. Each diver or swimmer will retain those personal diving gear items which are issued to him as long as he retains his naval enlisted classification or Navy officers billet classification designation unless the clothing is turned in to a supply officer. Since these items are government property merely in the temporary custody of the diver or swimmer, he will be responsible for their care and preservation. On change of duty station, either temporary or permanent, he will carry this outfit with him as part of his personal baggage. Articles of personal diving equipment will be retained in the custody of the individual only when he is engaged on duty requiring the use of such articles. When the individual is transferred to duty where certain articles of personal diving equipment will not be required, such articles will be turned in to the supply officer prior to departure.

(e) Invoice and Stock Record Keeping. At the time of issue a properly prepared Requisition and Invoice/Shipping Document (DD Form 1149) or a DOD Single Line Item Requisition System Document (DD Form 1348) will be submitted to the supply officer, and receipt of the personal diving gear items will be acknowledged by one of the following certifications signed by the individual receiving the issue:

"I acknowledge receipt of the above described articles of original allowance. I certify that I have not received similar articles." or

"I acknowledge receipt of item for item replacement of articles of personal diving equipment covered by survey _____. I certify that I have not previously received replacement of this equipment."

Appropriation Purchases Account material issued to all operating forces, and Navy Stock Account material issued to all operating forces except tenders and repair ships, will have been expended to end use accounting data when issued from the Navy Supply System. Navy Stock Account material issued from tenders and repair ships will be expended to the appropriate ship's operating budget as indicated by the fund code. The supply officer will treat initial issues of divers' and swimmers' equipment to eligible personnel as nonreplenishable issues; subsequent issues by the supply officer to replace worn, damaged, lost, or overage items will be treated as replenishable issues.

(2) Replacement

(a) Damaged Items. Upon receipt of a used item of personal diving gear and a properly prepared DD Form 1149 or DD Form 1348, the supply officer will issue a similar serviceable article in exchange, or authorize local procurement as necessary.

(b) Lost or Missing Items. To obtain replacement for lost or missing items, a brief explanation detailing the cause and responsibility for the loss will be submitted on the DD Form 1149 or DD Form 1348 to the supply department. This statement will be approved by the diver's commanding officer or officer in charge.

(c) Survey Items. No survey will be conducted for damaged, lost, or missing items; however, the commanding officer or officer in charge may initiate an investigation into any incident involving damage or loss of such gear.

c. Pools

(1) Establishment. The supply officer of a ship or afloat activity with divers or swimmers attached will arrange for the establishment of a personal diving gear and accessory diving equipment pool sufficient to meet necessary operational requirements. The commanding officer will designate an officer, other than an officer connected with the supply department, to operate the pool. Pools operated by explosive ordinance disposal activities will carry only those items and quantities authorized by the Naval Sea Systems Command Ordnance Allowance Lists.

Normally, used articles of personal diving equipment will be issued to pools and new articles will be issued only when used material is not available. For hygienic reasons, used wet suits, underwear, swim trunks, and athletic supports will not be included in the pool.

(2) Stocking and Custody. Issue of equipment to the pool by the supply officer will be made as prescribed in subpar. (l). The supply officer need not maintain a Controlled-Equipage Custody Record (NavSup Form 306) for items issued to the pool.

(3) Issues

(a) General. When an individual not otherwise eligible requires personal diving gear and accessory diving equipment for underwater operations, the required items will be furnished to him from the pool and he will sign a custody receipt for the items furnished. Upon completion of the operation for which the equipment was needed the individual will return the items to the pool, at which time the custody receipt will be surrendered.

(b) Student Diver or Swimmer Personnel. Student diver or swimmer personnel, when commencing training, will be furnished one set of personal diving equipment (less optional items). Each student will sign a custody receipt for the items furnished. Upon completion of the orders to duty involving training, the student will return the items to the pool and the custody receipt will be surrendered.

d. Repair of Personal Diving Gear. Only repairs which are within the capabilities of the divers or swimmers themselves (e.g., mending tears in wet suits) will be effected. For more serious damage or wear, items will be turned in for replacement in accordance with subpar. 2b(2)(a).

e. Marking of Personal Diving Gear. The name, grade, and command or activity will be placed on items of personal diving gear in such a way that removal will not damage the gear (wet suits, trunks, and supporters excepted). The diver's initials will be affixed on items too small to accommodate this information.

3. ACCESSORY DIVING EQUIPMENT

a. Outfit. The complete outfit of accessory diving gear consists of the following articles:

Belt, weight, scuba (with quick release buckle)
 Gauge, depth, submersible
 Wristwatch, submersible
 Compass, luminous, submersible (explosive ordnance disposal and underwater demolition team only)
 Knife, diver's (with sheath)
 Life jacket, CO₂ underwater demolition team type

All explosive ordnance disposal and underwater demolition team divers have an operational requirement for diving equipment meeting the nonmagnetic limits in specification MILM-19595. The accessories listed above are available in the supply system and are nonmagnetic except for the belt and the compass.

b. Individuals. The details concerning issue, custody, transfer and loss of custody records, invoice and record keeping, and replacement of accessory diving gear are the same as for personal diving equipment (see subpar. 2b) except as modified by items 1, 2, and 3.

1. The depth gauge, wristwatch, and compass will be handled in accordance with current Ships, Parts Control Center instructions.
2. Accessory diving equipment, most of which is procured through the Navy Supply System, will be stocked in quantity and kept on stock record cards prior to issue. Because of its durability this gear will not be surveyed upon issue, but will be expended in accordance with subpar. 2b(l)(e).
3. Accessory diving equipment will be surveyed upon report of its loss, theft, etc. A formal survey will be required when specifically directed by the commanding officer.

c. Pools, Repair, and Marketing. The instructions for pooling, repairing, and marking accessory diving equipment are the same as for personal diving gear (see subpars. 2a through e) except as modified by items 1,2, and 3:

1. At the commanding officer's discretion, taking into consideration hygiene, mission, frequency of dives and the number of divers assigned, the following items can be issued as personal equipment, on a Government Property Receipt and

noted as a Page 13 entry in the Service Jacket, or be pooled:

Regulator, scuba
Wristwatch, submersible
Life jacket, CO₂ underwater demolition team type
Belt, weight scuba (with quick release buckle)
Knife, diver's (with sheath)

All other accessory equipment must be pooled.

2. Belts, knife sheaths, and life jackets may be marked in a manner similar to personal equipment.
3. Only the wristbands on the watch, compass, and depth gauge may be marked.

d. Disposition. Upon permanent change-of-station transfer, all accessory equipment issued on a Government Property Receipt will be turned into the diving locker supply officer or accounted for in accordance with subpar. 2b.

4. **EQUIPMENT ORDERING, PURCHASING AND UTILIZATION.** Diving units will order/purchase and utilize only the diving equipment listed in NAVSEAINST 9597.1 series. Should the unit desire to purchase/utilize other equipment OPNAVINST 9940.1 series refers.

25844 RESCUE SWIMMERS' CLOTHING AND OPERATIONAL EQUIPMENT

1. GENERAL

a. Scope. This paragraph provides procedures and instructions for the issue, transfer, custody, replacement, repair, marking, pooling, and survey of rescue swimmers' personal SAR gear.

b. Eligibility. Navy personnel and Marine Corps personnel assigned to Navy units as Search and Rescue Swimmers are eligible to receive all specified items of personal gear upon successful completion of a CNO approved Search and Rescue Swimmer School.

2. PERSONAL SAR GEAR

a. Outfit. The complete outfit of personal SAR gear consists of the following:

Wet Suit Ensemble

- (1) Jacket, with long sleeves and zipper front
- (2) Trousers, Farmer John Style
- (3) Vest, with zipper front
- (4) Hood
- (5) Wetsuit Boots, with hard soles of non-slip tread
- (6) Wetsuit Gloves, five finger style
- (7) Wetsuit Shorts

Other Equipment

- (1) Wraparound Mask, with "Chemlight" attaching provision
- (2) Snorkel
- (3) Fins, vented with adjustable strap
- (4) SAR-1 Vest
- (5) HBU 11/P Harness, Rescue Aircrew, ACC 399, 428, and 431 inc., with the following items attached:
 - (a)(2) MK-I3 MOD "0" Flares
 - (b)(2) 4" "Chemlights"
 - (c)(2) 6" "Chemlights"
 - (d) Knife, Dacor SKB
 - (e) Strobe light, with detachable blue lens
 - (f) Knife, Hook Blade
- (6) Swim Trunks, cotton, khaki
- (7) Kit Bag, flyers, cotton duck, sage green

b. Individuals

(1) Original Outfitting

(a) Issue. Following a careful fitting on the basis of individual measurements, the basic wetsuit will be procured locally, according to SAR Model Manager specifications and issued immediately. Because of the personal nature and the need for close fit in this item, the wet suit will be expended from the record upon issue; hence, it will not be stocked in quantity or carried on stock records either before or after issue. Records of the individual swimmers measurements will be maintained by the local SAR Swimmer School for a period of five years from the date of original issue so that future replacement of equipment may be expedited. Those other items of the outfit also of a personal nature will be expended upon issue. However, these items do not offer such rigid tolerance as wet suits and may be stocked in quantities of different sizes and manufacture.

(b) Record of Custody. Upon initial receipt, the rescue swimmer will sign duplicate custody records of issue. One copy will be kept by the supply officer and the other copy will be placed in the recipients service record. Additional entries will be made upon each subsequent issue or return of (damaged, worn, etc) gear. Each additional entry will be dated and initiated

↓ by the rescue swimmer and the supply officer issuing or receiving the gear.

(c) Loss of Custody Records. If both copies of the custody record are lost, the individual concerned will submit a request to his commanding officer for a duplicate set of records of personal gear. The request will be prepared in triplicate, setting forth the circumstances of the loss, including a statement as to the status of the applicant's personal gear. Upon approval of such request, the commanding officer will have a duplicate set of personal gear records prepared and issued. The duplicate records will be inscribed and brought up to date according to information in the applicant's request. On the duplicate records, the previous receipt of items will be indicated by entering "Applicant's letter dated _____" opposite each item acknowledged by the applicant to have been previously received. Each such entry will be over-stamped with name and grade of and initialed by the officer issuing the duplicate personal gear records. The applicant's request will then be endorsed by the officer issuing the duplicate records to indicate action taken. The duplicate set so authenticated will be accepted in lieu of the original by all issuing officers.

(d) Disposition of equipment. Each individual authorized to receive SAR gear may retain such items issued to him for as long as he is assigned to duty as a rescue swimmer requiring the use of such articles. Upon change of duty station involving flying status as a rescue swimmer, he will carry this outfit with him as part of his personal luggage. When the individual is transferred to a duty station not involving flying/rescue swimmer training status, he will turn in his SAR gear to the supply officer prior to departure, except those items considered as a personal garment i.e., wet suit, mask, fins, and snorkel.

(e) Invoice and Stock Record Keeping. At the time of issue a properly prepared Requisition and Invoice/Shipping Document (DD Form 1149) or DOD Single Line Item Requisition System Document (DD Form 1348) will be submitted to the supply officer, and receipt of personal SAR gear items will be acknowledged by one of the following certifications signed by the individual receiving the issue:

"I acknowledge receipt of the above described articles of original allowance. I certify that I have not received similar articles", or "I acknowledge receipt of item for item replacement of articles or personal

SAR gear covered by survey_____. I certify that I have not previously received replacement of this equipment". The supply officer will treat initial issues of rescue swimmers' equipment to eligible personnel as nonreplenishable issues; subsequent issues by the supply officer to replace worn, damaged, lost, or overage items will be treated as replenishable issue.

(2) Replacement

(a) Damaged Items. Upon receipt of a used item of personal SAR gear and a properly prepared DD Form 1149 or DD Form 1348, the supply officer will issue a similar serviceable article in exchange, or authorize local procurement, in accordance with the SAR Model Manager specifications, as necessary.

(b) Lost or missing items. To obtain replacement for lost or missing items, a brief explanation detailing the cause and responsibility for the loss will be submitted on the DD Form 1149 or DD Form 1348 to the supply department. This statement will be approved by the squadron commanding officer or officer in charge.

(c) Survey Items. No survey will be conducted for damaged, lost or missing items; however, the commanding officer or officer in charge may initiate an investigation into any incident involving damage or loss of such gear.

(d) Repair of Personal SAR Gear. Only repairs which are within the capabilities of the rescue swimmers themselves or a parachute rigger shops efforts (e.g. mending tears in wet suits) will be effected. Refer to NAVAIR 13-1-6.7 Manual for repair procedures. For more serious damage or wear, items will be returned to the manufacturer for replacement or repair.

(e) Marking of Personal SAR Gear. The name, grade, and command or activity, will be placed on items of personal SAR gear in such a way that removal will not damage the gear. The swimmers initials will be affixed on items too small to accommodate this information. ↑

25845 ISSUES OF FUEL AND UTILITIES; APPROPRIATIONS CHARGEABLE

1. GENERAL At all Navy and Marine Corps activities the cost of fuel for propulsion or power

generation and water carried in the Navy Stock Account is charged to the appropriation, Operation and Maintenance, Navy, and the appropriate fleet command subhead, in accordance with par. 25090-6 when such fuel and water is issued to:

1. active fleet ships;
 2. service craft, landing craft, and boats assigned to the active fleet;
 3. active Navy ships, service craft, landing craft, and boats assigned to the following activities (see subpars. 2-8 for Military Sealift Command ships and service craft and boats assigned to aviation activities):
 - fleet boat pools and fleet logistic pools regardless of the activities to which the pools are assigned;
 - naval attaches;
 - district commands, if such craft are retained for such duty or for assignment on a temporary basis at the discretion of such command;
 - harbor defense units regardless of the activities at which the units are located;
 4. active Navy ships, service craft, landing craft, and boats assigned for duty with the reserve fleet or reserve fleet headquarters;
 5. Navy ships, service craft, landing craft, and boats assigned for naval reserve training.
2. ISSUES OF FUEL AND LUBRICANTS TO NAVY SHIPS, SERVICE CRAFT, LANDING CRAFT, AND BOATS ASSIGNED FOR DUTY AT NAVAL SHORE ACTIVITIES. Issues of fuel and lubricants to Navy ships, service craft, landing craft, and boats assigned for duty at naval shore activities with the exceptions indicated in subpar. 1 will be charged to the operation and maintenance funds provided to the activity to which they are assigned.
3. ISSUES OF FUEL, HEAT, ELECTRIC CURRENT, AND WATER TO PUBLIC QUARTERS OCCUPIED BY OFFICERS AND ENLISTED MEN OF THE FIRST 3 PAY GRADES. Issues of fuel, heat, electric current, and water to public quarters occupied by officers and enlisted men of the first 3 pay grades for both Navy and Marine Corps personnel will be charged:
1. at activities coming under the direct supervision of a single bureau or command of the Navy Department or the Marine Corps, to

the appropriation of the bureau or command concerned or of the Marine Corps chargeable for the maintenance of the activity;

2. at naval shipyards, naval bases, and other comparable activities, to the applicable appropriation under the bureau or command having financial responsibility for the quarters;
3. at activities where electric current or heat is manufactured by the activity directly under the maintenance allotment no adjustment of charges will be necessary.

4. ISSUES TO OFFICERS AND ENLISTED MEN RESIDING IN NAVY DEFENSE HOUSING AND NAVY HOMOJA HOUSING. Issues of fuel, heat, electric current, and water to officers and enlisted men residing in Navy defense housing and Navy Homoja housing will be charged to the applicable deposit in the Naval Working Fund (see the Navy Comptroller Manual, par. 043 113).

5. BACHELOR OFFICERS' QUARTERS NURSES QUARTERS, AND ENLISTED MEN'S BARRACKS. Fuel, heat, and utilities furnished to bachelor officers' quarters, nurses' quarters, and enlisted men's barracks will be charged in accordance with subpar. 3.

6. ISSUES OF AVIATION FUELS AND LUBRICANTS

a. Issues to Navy and Marine Corps Fleet Aviation Units. Aviation fuels and lubricants issued to fleet aviation units will be expended on DOD Single Item Requisition System Document (DD Form 1348) or Requisition and Invoice/Shipping Document (DD Form 1149) as applicable, from the account in which carried, and charged to the appropriation, Operation and Maintenance, Navy, applicable subhead, unit allotment, and end use functional account in the 33000 series. Aviation fuels and lubricants issued to refuelers operated by Marine Wing Service Groups and Marine Air Groups will be carried in special accounting class 203. When issues are made from the refueler to the consuming Marine Corps aircraft, charges will be made to the allotment and appropriation concerned. These expenditure invoices or station requisitions will be forwarded monthly to the fleet aviation accounting office.

b. Issues to Ships. Aviation fuels and lubricants issued to ships supporting aircraft will be expended

on invoices as a charge to the appropriation, Operation and Maintenance, Navy, subhead 702E, operating budget 57025A for Pacific Fleet and subhead 602E, operating budget 57012A for Atlantic Fleet. The originals of such invoices, covered by an adding machine tape, will be forwarded monthly by the issuing station direct to the appropriate fleet aviation accounting office.

7. **ISSUES TO SERVICE CRAFT AND BOATS ASSIGNED TO AVIATION ACTIVITIES.** Issues of fuel, water, and utilities to service craft and boats assigned to air activities will be charged to the appropriation, Operation and Maintenance, Navy, applicable Naval Air Systems Command subheads.

8. **ISSUES OF FUEL TO SHIPS ASSIGNED TO THE MILITARY SEALIFT COMMAND.** Issues of fuel to ships assigned to the Military Sealift Command will be handled on a cash sale basis.

9. **ISSUES OF COGNIZANCE SYMBOL 9X MATERIAL FOR MAINTENANCE PURPOSES.** Issues of cognizance symbol 9X material to be used for maintenance purposes such as flushing refueler truck tanks, falters, lines, YO and YOG tanks, etc., will be charged to the appropriate maintenance and operating funds of the activity concerned.

10. **ISSUES OF COGNIZANCE SYMBOL 9X MATERIAL FOR TEST PURPOSES**

a. **Quality Control of Navy Stock Account Stocks.** Samples withdrawn from Navy Stock Account stocks which cannot be returned to store after the test will be surveyed and charged to the Navy Stock Fund under financial inventory report code M6.

b. **Other.** Material issued for consumption in test or experiment will be expended in accordance with par. 25323-5.

11. **ISSUES OF FUEL AND LUBRICATING OIL TO SHIPS UNDER CONSTRUCTION, CONVERSION, OR ALTERATION,** Fuel and lubricating oil used on ships being built, being converted, or undergoing major alterations at naval shipyards will be charged to the proper functional account in the 11000, 15000, or 19000 series, as appropriate, and will be considered as a part of the yards cost to build, convert, or alter. Such fuel and lubricating oil, and

fuel and lubricating oil used for trials of machinery on a ship built, converted, or altered by a shipyard, up to the successful completion of such trials as reported by the board of inspection and survey, will be charged to the appropriation and project order under which the building, conversion, or alteration is being accomplished.

25846 TRANSFERS OF FUEL TO NAVAL ACTIVITIES

1. GENERAL

a. **Definition.** Transfers of fuel are defined as those quantities of fuels expended to other naval activities which carry the fuel in stores account. Also fuel expended to other than naval activities is defined as a transfer.

b. **Volume Correction.** Transfers of residual (black) fuel oils, irrespective of quantity, will be corrected in volume to 60° F. in accordance with ASTM-IP Petroleum Measurement Table 6. Transfers of gasoline and light fuel oils in quantities of 3,500 gallons or over will be corrected in volume to 60° F.

2. TRANSFERS TO SHORE ACTIVITIES

a. Bulk Fuels

(1) **Determination of Quantity.** For detailed instructions on the determination of quantity, see pars. 23087-8 and 23137.

(2) **Determination of Quality.** The transferring shore activity will take all measures necessary to assure that the material transferred is suitable for use in all respects.

(3) **Invoicing.** Transfers to other Navy shore activities will be supported by a Requisition and Invoice/Shipping Document (DD Form 1149) at the stock ledger price.

(4) **Contaminated Fuel.** Transfers of contaminated fuel to a naval activity operating a reclaiming plant will be surveyed prior to transfer in accordance with par. 25166-2b(2).

b. **Packaged Products.** Transfers of packaged products to another shore activity will be handled in the same manner as transfers of general stores.

25847 TAXES ON TRANSFERS AND SALES

1. TRANSFERS AND SALES OF MATERIAL PURCHASED ON TAX INCLUSIVE BASIS. If the material transferred or sold was purchased by the Navy at a price which included federal excise, state, or territorial taxes, the tax paid is included in the value at which the material is carried and proceeds need not be separated as to tax and balance of value. Remittance of taxes is not required on transfers or sales of items purchased on a tax inclusive basis. The entire proceeds of the transferor sale are for credit to the appropriation, fund, or General Fund Receipts account prescribed.

2. TRANSFERS AND SALES OF MATERIAL PURCHASED EXCLUSIVE OF TAX

a. Transfers to Military Departments, Other Government Departments, and Sales to Foreign Governments. If material was purchased exclusive of taxes, such transfers to military departments, other government departments, and sales to foreign governments will be made exclusive of taxes.

b. Transfers and Sales to All Other

(1) Federal Taxes. Applicable federal excise taxes will be added to the established transfer or sale price and the total billed for collection.

(2) State and Territorial Taxes. Sales by the United States Government or any instrumentality thereof to authorized purchasers are not subject to state or territorial taxes except the sale of gasoline or other motor fuels. The Act of July 30, 1947 (61. Stat. 644) (4 U.S. Code 104) requires that all taxes levied by any state, territory, or the District of Columbia on the sales of gasoline and other motor vehicle fuels may be levied on such fuels sold by instrumentalities of the United States Government when the fuel is not for the exclusive use of the United States. (See the Navy Comptroller Manual, par. 043002.)

c. Accounting for Taxes Collected. If transfer or sales proceeds include an amount added for federal, state, or territorial taxes, the funds when deposited with a disbursing officer will be identified separately as to

price of the product and the federal, state, or territorial tax. The amount representing all taxes except federal tax on aviation fuels and lubricants will be taken up by the disbursing officer for credit to 17X6875, Suspense, Navy, in accordance with the Navy Comptroller Manual, par. 043002. Amounts added for federal tax on transfer or sale of aviation fuels and lubricants will be credited to 170199, Miscellaneous Taxes.

d. Tax Returns

(1) Federal Taxes Other Than on Aviation Fuels and Lubricants. The officer making the transfers or sales on which the tax is collected will prepare Retail Dealers' Excise Taxes (Internal Revenue Service Form 720) in triplicate each quarter and will forward the original and one copy to, the disbursing officer receiving the proceeds of sale.

(2) State and Territorial Taxes. The officer making the transfer or sale of gasoline and other motor vehicle fuels, by or through Navy exchanges, filling stations, or other similar agencies located on military reservations, will submit, on or before the fifteenth day of each month, a written statement to the proper tax authority of the state, territory, or the District of Columbia, where located, showing the amount of gasoline or other motor vehicle fuels with respect to which taxes are payable for the preceding month. When the taxes imposed by any authority are limited to a tax on sales, the following form is prescribed for the report to be submitted to the taxing authority.

_____, 19____

To: _____ State Tax
Commission, _____

Subj: Motor vehicle fuel tax (Act of July 30, 1947 (61 Stat. 644) as amended (4 U.S. Code 104))

In accordance with the Act of July 30, 1947 the sum of \$_____ has been collected upon sales of gasoline and other motor vehicle fuels not for the exclusive use of the United States made by or through (name of activity) an agency designated in said act located at the (naval shipyard or station), during the preceding month ending at midnight (calendar month, day, 19_) amount of which was _____ gallons. It is requested that a bill, in duplicate, covering the amount of tax indicated herein be furnished to _____.

Immediately upon receipt of such bill, payment of the tax will be made.

"Commanding officer"

Upon receipt, the bill from the appropriate taxing authority will be approved, if correct, and will be forwarded to the disbursing of-

fice which received the proceeds of sale, for payment in accordance with Navy Comptroller Manual, par. 046389-1.

3. TAXES

a. Federal Taxes. Federal excise tax rates on petroleum products will be found in the general provisions of the applicable Defense Fuel Supply Center contracts or contract bulletins.

b. State and Territorial Taxes. State and territorial taxes are applicable in some instances on sales of gasoline and lubricating oils. The Defense Fuel Supply Center contract bulletins contain information with respect to current tax rates.

4. FEDERAL EXCISE, STATE, AND LOCAL TAXES

a. Addition to Standard Price. In order to avoid loss to the Navy Stock Fund, naval activities storing, issuing, or transferring petroleum products subject to such taxes will add the applicable federal excise, state, and local taxes to the standard or local carrying price.

b. Refunds. Tax refunds will be obtained in accordance with the instructions provided in the list of State Motor Vehicle Taxes attached to the Defense Fuel Supply Center contract bulletins. Applications for refund will be made on either the U.S. Government Tax Exemption Certificate (Standard Form 1094) or on forms prescribed by the individual state. The responsibility for applying for tax refunds is placed upon the activity requisitioning the product from the Navy Stock Account, and any refund will be credited to the allotment of that activity.

25848 PLANT ACCOUNT PROPERTY

Transfers of plant account property will be accomplished as provided in the Navy Comptroller Manual, Volume 3.

25849 MATERIAL ISSUED ON A LOAN BASIS

1. GENERAL

a. Applicability. Instructions in subpars. 2 through 8 supplement and explain the means of effecting loans of personal property as legally authorized by providing loan criteria, approval authority, and specifics of loan agreements. They are applicable to the loan of personal property ashore between the Navy and Marine Corps and to other components of the Department of Defense, other government departments and agencies, state or local governments, organizations, and private parties (other than personal property provided a contractor) or individuals. These

instructions do not supersede or modify other instructions applicable to specific loans of personal property and the latter shall govern in case of conflict.

b. Types of Property Covered. Instructions in subpars. 2 through 8 are applicable to personal property in store financed by either a stock fund or an appropriation and to personal property in use classified as plant property (classes 3 and 4), special tooling, and minor plant equipment except equipments financed by the Navy Industrial Fund. They are not applicable to the following:

1. personal property in store and minor plant equipment in use financed by the Navy Industrial Fund,
2. personal property provided to contractors (see Navy Comptroller Manual, par. 035600),
3. personal property issued to prospective Navy contractors to be used in conjunction with the submission of bids,
4. property loaned to foreign governments under the Foreign Assistance Act of 1961 (75 Stat. 424), as amended.

c. Definition. A loan is defined as the granting of permission to use personal property without compensation on the condition that it will be returned without cost to the Department of the Navy in a condition as good as when loaned, reasonable wear and tear excepted. Intra-Navy movements of stores account material will not be a loan, but an issue to end-use or transfer between other supply officers in accordance with NAVCOMPT Manual, par. 035655-4 item 7.

2. **POLICY.** Personal property may be loaned by the Department of the Navy only when legally authorized and when clearly in the interest of the Department of the Navy, the national defense, or the general public. Requests for loans not legally authorized and not clearly in the interest of the Navy, the national defense, or the general public, or which would result in unnecessary dissipation of property will be denied. Loans of personal property will not be encouraged or promoted.

3. **AUTHORITY.** Various authorities exist for the loan of specified property to specific activities under certain circumstances, such as 10 U.S. Code 2541, loans to recognized veterans' organizations; Act of August 12, 1946 (60 Stat. 998) (20 U.S. Code 77d), loans to the Smithsonian Institution; and Art. 1263, N.R., loans to states for use by naval militia. The legal authority for a loan will be determined by counsel for the cognizant primary support bureau, command, office, or activity concerned, or by regional counsel in the case of any local activity where counsel is not assigned. In all cases not covered by

the foregoing, a request for determination of legality will be referred by or via the Chief of Naval Operations, the Commandant of the Marine Corps, or the commander of the primary support bureau; command, or office having cognizance over the property to the General Counsel for the Department of the Navy.

4. **CRITERIA.** In addition to the basic legal requirements, loans also will meet the following criteria:

1. loans will not cause the lender to purchase a replacement item or redistribute assets;
2. the loan of stock account material will be limited to the purposes provided in the Navy Comptroller Manual, Volume 2, Appendix B;
3. loans of Navy Stock Account material will receive the prior approval of the Naval Supply Systems Command;
4. the loan will not be expected to result in a loss through undue wear and tear or misuse;
5. the borrower will be financially responsible.
6. the loan will be for a determinable and limited time; loans normally will not be in excess of 90 days (renewable for successive 90 day periods not to exceed a total loan period of one year) for stock account material, and one year (renewable for successive periods not exceeding one year at a time) for non-stock account items; at the end of a year, all stock account material on loan will be returned or reimbursement will be obtained; the normal initial loan period of one year for nonstock account items may be exceeded at the discretion of the Chief of Naval Operations, the Commandant of the Marine Corps, and the commanders of the bureaus, commands, or offices having cognizance over the property to be loaned;
7. loans of stores account material will not be made to another naval activity. Intra-Navy movement of stores account material will be an issue to end use or a transfer to another accountable officer (see Navy Comptroller Manual, par. 034004).

5. **APPROVAL.** Request for loans will be approved by the Chief of Naval Operations, bureau, command, office, or inventory control point having cognizance over property, except when applicable orders, regulations, or instructions authorize approval by subordinate management levels. For loans requiring Secretary of the Navy approval, see Navy Comptroller Manual, par. 035655-5c.

6. LOAN AGREEMENT REQUIREMENTS

a. General. Upon approval of the loan, a written loan agreement will be signed by

the lender and the borrower. The loan agreement will include such of the provisions of subpars. b through d as are appropriate to the type of borrower and the type of property loaned.

b. Loans within the Department of Defense.

Loans within the Department of Defense may be evidenced by custody receipt or letter which will include the following:

1. authority;
2. the purpose, including a statement as to why the loan is required and the reason that the borrower does not utilize other means;
3. time period;
4. description and condition of the property;
5. provision for title to remain within the Department of the Navy;
6. statement of obligation by the borrower to protect all proprietary, patent, and industrial rights in the property, the information furnished with the property, and the information derived from it;
7. statement that the borrower will assume all liabilities, responsibilities, and costs incurred incident to the loan of property, such as removal of material from storage, crating, handling, packing, transportation, activation, conversion, operation, repair, return and replacement of material in storage;
8. statement safeguarding classified military information and property, including an agreement upon the security classification to be assigned the property, and the policy to be followed regarding downgrading, declassifying and releasing information to the public;
9. declaration of value (the value to be used is the value at which the material normally would be sold to a Navy or Marine Corps activity or at which the property is carried in the plant property account);
10. provision for a bond or insurance when specifically required bylaw or administrative regulation, or at the discretion of the approving authority when no specific requirement exists;
11. statement as to whether technical personnel are required to accompany the property;
12. statement as to who will support the property while on loan;
13. statement that the borrower assumes all risk of loss or damage and will return the property in as good condition as when lent, reasonable wear and tear excepted, and that expense of placing it in such condition will be borne by borrower;
14. a statement that in case of emergency, or when it is determined to be in the best interest of the Government, the Department of the Navy reserves the right to revoke all or any part of the agreement;

15. a statement that the borrower will indemnify the Government for all third-party liability arising in connection with the property during the period of loan.

c. Loans to Agencies of the Federal Government Other Than the Department of Defense. For loans to agencies of the Federal Government other than the Department of Defense, the agreement set forth in subpar. 7 will be used.

d. Loans to State and Local Agencies, Non-profit Institutions, and Private Parties. Loans to state and local agencies, non-profit institutions, and private parties will be evidenced by a loan agreement prepared by counsel for the bureau, command, office, or agency concerned.

e. Disposition of Loan Agreement. The original of the loan agreement will be retained on file by the lender and a signed copy will be furnished the borrower. A copy to the Navy Regional Finance Center, Property Accounting Department, Washington, D. C., for review to ensure that loans of Navy-owned material are made in accordance with Navy Comptroller Manual, par. 034122-3.

f. Other Circumstances. The provisions of subpars. a - d are not intended to preclude a loan of property in the event of a valid medical emergency or under other compelling circumstances, as determined by competent authority under Art. 0627, Nav. Regs.; however, such measures as are warranted and feasible at the time will be taken to protect the interests of the Government. Any special situation for which the provisions of subpars. b or c are not appropriate, or any contemplated provisions different or beyond those specified in the format provided in subpar. 7 will be approved by counsel for the bureau, command, office, or agency concerned prior to execution by the authorized Navy representative.

7. LOAN AGREEMENT FORMAT. The loan agreement will be prepared in the following format:

DEPARTMENT OF THE NAVY,
Naval _____Command,
Washington, D.C.

LOAN AGREEMENT

Between

DEPARTMENT OF THE NAVY,
Naval _____Command
and

(Federal Agency)

THIS AGREEMENT, entered into as of the _____ day of _____ 19____, by and

between the DEPARTMENT OF THE NAVY (hereinafter sometimes referred to as the "NAVY") represented by the Commander Naval _____ Command or his duly authorized representative executing this agreement, and the DEPARTMENT OF _____ (hereinafter sometimes referred to as the "BORROWER") represented by an official thereof authorized to execute this agreement.

WITNESSETH:

WHEREAS, the BORROWER has requested a loan of the property listed in Schedule .1, hereto attached (hereinafter referred to as the "Items") for the purpose of _____; and

WHEREAS, the NAVY is willing to loan the property covered by this "agreement under the authority of Section 601 of the Economy Act of June 30, 1932, as amended (31 U.S. Code 686).

NOW THEREFORE, in consideration of the premises and the terms and conditions hereinafter set forth, the parties hereto agree as follows:

1. The NAVY does hereby loan to the BORROWER the items listed in Schedule 1, hereto attached.

2. PERIOD OF LOAN. The use of the property by the BORROWER shall terminate _____ months after the date first above written unless the Agreement is sooner terminated by the NAVY pursuant to paragraph 8 hereof.

3. The NAVY makes no representation of warranty either as to the condition of the property or as to its usefulness for any purpose whatsoever.

4. Title to the property shall remain with the NAVY during the period of this loan.

5. THE BORROWER shall:

(a) Pay all costs incident to preparation of the Items for shipment and transportation and, upon expiration or termination of the loan period, pay all costs incident to the return of the Items, including costs necessary to prepare the Items for storage or reinstallation (if the Items at the commencement of the loan period were installed at NAVY facilities).

(b) Maintain, protect, preserve, and repair the Items, including necessary replacement of parts, and return such Items in as good a condition as when received, normal wear and tear excepted.

(c) Replace the Items in the event of loss or damage or, at the option of NAVY, reimburse NAVY for value thereof.

(d) Not transfer custody or possession of the Items or authorize use thereof for purposes other than specified in the first above recital.

6. The BORROWER shall protect all proprietary, patent, and industrial rights in the property, the information furnished with the property, and the information derived from it.

7. The BORROWER shall "safeguard any classified military information or property loaned under this agreement to the extent that the NAVY shall, by separate written instructions, advise the BORROWER of such classification and the policies regarding downgrading, declassification, and release of information to the public.

8. The NAVY reserves the right to terminate this Agreement as to the Item loaned whenever it determines that it requires immediate use thereof.

In WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

DEPARTMENT OF THE NAVY

By _____

DEPARTMENT OF _____

By _____

Title _____

8. RESPONSIBILITY FOR RETURN OF OR REIMBURSEMENT FOR MATERIAL. It is the responsibility of the authority granting the loan to insure return of material issued under the loan or to obtain reimbursement from the borrower upon expiration of the loan period. Copies of documents authorizing loan of Navy stores account material will be furnished to the Navy Regional Finance Center, Washington, D.C.

9. ACCOUNTING FOR MATERIAL ON LOAN

a. Plant Property. Instructions covering loan of plant property (classes 3 and 4) are contained in Navy Comptroller Manual, Volume 3, Chapter 6.

b. Stores Account Material

(1) General. Material issued on a loan basis between the Navy and Marine Corps or to any of the following activities will be invoiced in the stores account in special

accounting class 285, to the Navy Regional Finance Center, Washington, D. C.:

1. components of other military departments and agencies of the Department of Defense,
2. other government departments and agencies of the Federal Government,
3. state governments,
4. local governments,
5. organizations,
6. private parties or individuals.

If material other than plant property is not carried in a stores account at the time the loan is made, it will be taken up in the Appropriation Purchases Account as material turned into stores without charge under special accounting class 285, applicable cognizance symbol, material on loan.

(2) Documentation. Activities shipping material on a loan basis will prepare a DOD Single Line Item Release/Receipt Document (DD Form 1348-1) and list all information. The approving authority will be indicated in the "Remarks" block of the DD Form 1348-1.

(3) Return or Sale of Material. When material issued under a loan is returned to the Navy, it will be taken up as receipt from other supply officers in the appropriate stores account. Summarization will be effected by the Navy Regional Finance Center, Washington, D. C., in accordance with the Navy Comptroller Manual, par. 034072. If the responsible bureau, command, office, or activity obtains reimbursement from the borrower in lieu of the return of the material, the Navy Regional Finance Center, Washington, D.C., will expend the material as a cash sale.

10. LOAN OF DEFENSE LOGISTICS AGENCY STOCK FUND MATERIAL

a. General. Defense Logistics Agency regulations provide that Defense Logistics Agency stock fund material may be loaned to military services and authorized nonmilitary agencies provided the items are available in Defense Logistics Agency stocks and their use will not jeopardize the programmed mission support of the Defense Logistics Agency.

b. Policy for Loans. Defense Logistics Agency policies prescribe that:

1. Loans of Defense Logistics Agency stock fund material normally will be limited to a period of 120 calendar days from date of receipt by the borrower until date of shipment for return to Defense Logistics Agency stocks.
2. Defense logistics centers will not procure material to satisfy requests for loans; approval of the loan will be on the basis of material available which is

not required to meet programmed requirements during the loan period.

3. The borrower will pay transportation charges for shipment from and return to the Defense Logistics Agency supply point.
4. The Defense Logistics Agency will be reimbursed by the military service for authorized charges as defined in subpar. f; when the borrower is a nonmilitary agency, reimbursements will be made through and coordinated by the designated executive military service.

c. Purposes for Which Loans Will be Made.

Subject to the conditions in subpar. b, loans of Defense Logistics Agency stock fund material will be made for the following purposes:

1. to military services for support of such missions as emergencies, large scale exercises, and maneuvers on a one time basis.
2. to nonmilitary agencies for programs such as Scout jamborees, olympic games, and other programs authorized by public law or executive order, to the extent that items are not available in the resources of the military service designated as executive agent by the Secretary of Defense; the military service designated as executive agent will arrange appropriate bond when stipulated by the public law or executive order, and establish controls to insure return of Defense Logistics Agency material.

d. Submission of Requisitions. Requisitions for loan of Defense Logistics Agency stock fund material will be submitted to the appropriate defense logistics center. Submission of loan requisitions will follow notification by the coordinating activity that the loan requisitions are covered by a negotiated loan agreement between the coordinating activity and the defense logistics center.

e. Coordinating Activity

(1) Designation. Designation of the coordinating activity will depend upon the total value of Defense Logistics Agency stock fund material required on the loan and the duration of the loan period.

(2) Loan Not Exceeding \$25,000 and Not Exceeding 90 Calendar Days. The Commanding Officer, Navy Fleet Material Support Office, will coordinate requests for loan of Defense Logistics Agency stock fund material having a total value not exceeding \$25,000 and not exceeding 90 calendar days duration.

(3) Loan Greater Than \$25,000 or Exceeding 90 Calendar Days. The Commander, Naval Supply Systems Command (Logistics Plans and Policy Control Division, Technical

and Interservice Programs Branch), will coordinate requests for loan of Defense Logistics Agency stock fund material having a total value greater than \$25,000 or exceeding 90 calendar days duration.

f. Charges for Loan. Charges for loan of Defense Logistics Agency stock fund material will include all of the following costs:

1. for transportation for items shipped at Defense Logistics Agency expense;
2. for material not returned, computed at current stock fund prices;
3. for material classified upon return to the Defense Logistics Agency as unserviceable uneconomically repairable computed at current stock fund prices;
4. for repair and reconditioning of returned material to a usable condition;
5. for clothing and textile items only:

all returned serviceable material which has been used will be considered as condition code B (serviceable), and material issued as condition code A (new) and returned in serviceable condition will be billed at 50% of the current standard price;

material issued as condition code A and returned in unserviceable economically repairable condition will be billed at 50% of the current standard price plus cost of repairs or reconditioning;

material issued as condition code B and returned in unserviceable economically repairable condition will be billed for cost of repairs or reconditioning only;

there will be no charge for material issued as condition code B which is returned in serviceable condition.

g. Requests for Loans by Borrowing Activities. Navy activities supporting programs which qualify for loan of material under conditions prescribed in subpar. c will submit requests for loan with detailed justification to the Naval Supply Systems Command or the Navy Fleet Material Support Office, as appropriate. All data required for the coordinating activity to negotiate a loan agreement with the appropriate defense logistics center will be included.

h. Negotiation of Loan Agreement by Coordinating Activity. The Naval Supply Systems Command or the Navy Fleet Material Support Office will forward requests for loans to the appropriate defense logistics centers. Loan requests will include the following data:

1. the purpose for which the requested items are required;
2. the time period over which the loan will be made;

3. a list of all items and quantities required;
4. a statement that the resources of the military departments are not available to meet loan requirements;
5. a statement that the borrowing naval service will assume all liabilities, responsibilities, and costs incurred in the loss, movement, and operation of the loaned items;
6. declaration of the monetary value of the property based on the published catalog price;
7. a statement to the effect that reimbursement will be made for charges rendered in accordance with Defense Logistics Agency regulations;
8. for loans to nonmilitary agencies, when the Navy acts as executive agent, a statement specifying the executive order or public law which authorized the loan, and that bond has been arranged when required by the executive order or public law;
9. funds citation, when applicable, chargeable for transportation costs;
10. funds citation when applicable, chargeable for material costs if billing is necessary;
11. the project code (730) assigned to identify loan requisitions and returns.

The coordinating activity will negotiate loan agreements direct with defense logistics centers in the format described in subpar 7.

i. Submission of Loan Requisitions to Defense Logistics Centers

(1) Naval Activity. When a loan agreement has been negotiated for a naval activity, the coordinating activity will authorize the borrower to submit applicable requirements direct to the appropriate defense logistics centers, using exception type MILSTRIP requisitions (E or 5 in card column 3), by other than Automatic Digital Network (AUTODIN). Special entries to be included in these requisitions are as follows:

1. signal code D or M will be entered in card column 51,
2. fund code in card columns 52-53 will be left blank,
3. project code "730" will be entered in card columns 57-59,
4. the "Remarks" block will contain, when applicable, funds citation for transportation and material costs and any special instructions considered pertinent and necessary by the coordinating activity.

(2) Nonmilitary Agency. For loans to a nonmilitary agency, the Navy, when acting as executive agent, will coordinate billings to the nonmilitary agency and reimbursement

to the Defense Logistics Agency for authorized charges. Reimbursement may be made direct from a nonmilitary agency to the Defense Logistics Agency stock fund.

j. Control and Return of Loaned Defense Logistics Agency Stock Fund Material. The coordinating activity authorizing the loan of Defense Logistics Agency stock fund material to the borrowing activity will include instructions for the control and return of the material with the authorization document.

11. LOAN OF SPECIAL MATERIAL

a. Small Arms. Except for Intra-Navy, is sues of small arms to internal departments of shore activities or any other activity for which no allowance list has been established (pistol clubs, etc.) may be made on a custody receipt basis not to exceed 90 days. At the expiration of 90 days, pistol clubs or activities requiring the continuance of loans of small arms will conduct a physical inventory and provide the shore activity with updated custody receipts. The quantity record of small arms issued on custody receipts will be retained on the stock records of the supply officer and will be reported in accordance with instructions issued by the Navy Ships Parts Control Center.

b. Loans to Contractors. Issues of Navy owned equipment, minor property, and material to contractors under a custody receipt are prohibited. Instructions relating to the furnishing of government property to Navy contractors or prospective Navy contractors are contained in pars. 25480-25499.

c. Loans to any State or Local Government, Organization, or Private Individual

(1) General. Public property, including supplies, will not be loaned to any state or local government, organization, private party, or

individual except by special authority of Congress, with the exceptions outlined in subpars. (2) and (3).

(2) Loans to State and Local Governments for Assistance in Major Disaster Relief. Excess and surplus property will be loaned to state and local governments as directed by the Office of the Assistant Secretary of Defense (Civil Defense) to provide assistance to such state and local governments in alleviating suffering and damage resulting from major disasters.

(3) Loans to Ship's Sponsors. The name plate or any small article of negligible or sentimental value from a ship, upon approval of the Curator for the Navy Department, may be loaned, at no expense to the Navy, to the individual who sponsored the ship. Any request for such a loan will be forwarded by the holding activity to the cognizant bureau, command, or office for submission to the Curator for the Navy Department.

d. Invoicing and Accounting. Activities furnishing material and equipment under loan agreements will invoice the Navy Regional Finance Center, Property Accounting Department, Washington, D.C. as a transfer between accountable officers who will maintain stores' accounting records until the expiration of the loan.

12. RESPONSIBILITY FOR RETURN OR REIMBURSEMENT FOR MATERIAL. It is the responsibility of the approving authority of the loan agreement to ensure return of material or equipment or to obtain reimbursement from the borrower upon expiration. Copies of documents authorizing loan of Navy stores' account material will be furnished to the Navy Regional Finance Center, Property, Accounting Department, Washington, D.C.

25850 LEASING OF NOT IN EXCESS
PERSONAL PROPERTY FOR
PUBLIC OR PRIVATE CIVILIAN
USE

When considered to be in the public interest or in the interest of national defense, nonexcess personal property not required for the immediate needs of the naval activity having administrative control thereof, may be leased for any public or private civilian use. A request for authority to lease the property will, be submitted to the Secretary of the Navy via the cognizant bureau, office, or command, the Chief of Naval Operations, and the Chief of Naval Material. The request will contain a description of the property, its location and cost to the Government, the name, address, and occupation of the proposed lessee, and the recommendation and advice of the requesting activity with respect to the following conditions:

1. the terms and conditions of the proposed lease,
2. the contemplated use to be made of the property,
3. the rental that should be charged,
4. the general character and reliability of the proposed lessee.

25851 AMMUNITION CONTAINERS
TRANSFERRED TO OTHER
SUPPLY OFFICERS

Ammunition containers as defined here include boxes, pallets and adapters, tanks, cans, marker containers, and propellant grain containers. When the cost of ammunition containers used in shipment is not included in the price of the item being shipped, the value of the container will be expended from the Appropriation Purchases Account, in accordance with the Navy Comptroller Manual, par. 022082-4a.

25852 NONEXPENDABLE TYPE COGNIZANCE SYMBOL A MATERIAL

1. GENERAL. Nonexpendable type cognizance symbol A items normally issued on an exchange basis which have significant recoverability value or are economical to repair by either Navy or commercial sources will be identified by material control code X. The material control code will be included in all stock numbers shown in publications issued by the Navy Ships Parts Control Center. The Navy Management Data List and change bulletins thereto will be utilized for verification of stock numbers. Since replenishment is accomplished by repair of unserviceable items, the turn-in of cognizance symbol A, material control code X items (considered repairable) is mandatory. Requisitions for material control code X items will include the material control code X as part of the identifying stock number. Separate

requisitions will be prepared for material control code X items by all vessels except naval inactive ship maintenance facility vessels. Naval inactive ship maintenance facility vessels will requisition material controlled by the Navy Ships Parts Control Center in accordance with instructions issued by that inventory control point. All other requisitions, except those prepared, as a result of the supply operations assistance program and activity stock replenishment requests, will be certified by the requester to indicate one of the following:

1. "An unserviceable item is being returned to store concurrent with the request for a new item.";
2. "The unserviceable item will be returned later.";
3. "No exchange item is available (with reasons).".

2. ISSUE OF REPLACEMENT ITEMS. Prior to issue of replacement material control code X items, supply activities will insure that requisitions other than those resulting from the supply operations assistance program contain a certification indicating the disposition of the unserviceable material. Requisitions having priority designators Ø1 through Ø8 which lack certification will be filled, but the originator will be requested to advise disposition of the replaced item. Requisitions bearing priority designators Ø9 through 15 which lack certification will be held and the originator advised that certification regarding disposition of the replaced item is required prior to issue. When requisitions for not in stock or not carried material control code X items are passed to another activity for supply action, the passing activity will:

1. forward requests having priority designators Ø1 through Ø8 which lack certification, and request the originator to forward the exchange unit or necessary certification;
2. return requisitions bearing priority designators Ø9 through 15 which lack required certification to originator for completion.

Upon receipt of passed requisitions, the issuing activity will process the requisitions without regard to the certification requirements. Issues of material control code X items will be accounted for in accordance with par. 25090-3.

3. DISPOSITION OF REPLACED ITEMS. Unless existing instructions require that replaced items be transshipped to designated repair facilities, reporting activities will insure that unserviceable material control code X items returned to store are recorded immediately on local stock records under the applicable material condition codes

(see par. 24925). Nonreporting activities will report immediately by letter to the Navy Ships Parts Control Center all material control code X material turned in to store. The report will indicate "Serviceable" or "Unserviceable", with the applicable material condition code. No action will be taken to repair or dispose of this material unless previously authorized or directed by the Navy Ships Parts Control Center. Material control code X items turned in by fleet units will be accounted for in accordance with par. 23187-1c.

25853 CONTAINERS FOR NUCLEAR SURFACE AND ANTI-SUBMARINE MISSILES, TORPEDOES, AND WARHEAD SECTIONS

1. **GENERAL.** This paragraph applies to those specially built reusable ordnance shipping and storage containers designed to house and protect complete missiles and torpedoes or the major assemblies and components therefor, such as rocket motors, guidance units, power supplies, and nuclear adaption kits. These containers are an integral part of each missile system and therefore are not treated as separate supply items in the usual sense. When weapons are deployed aboard combatant ships, the empty containers will be stored and maintained in condition to receive the weapons at the time of off-load.

2. **STORAGE AND MAINTENANCE.** Maintenance procedures for most ordnance containers are developed by the Naval Weapons Handling Laboratory, Earle, N. J., in coordination with the design agent and the missile system project manager. Shore activities, such as naval weapons stations, naval ammunition depots, etc., responsible for the assembly, storage, and maintenance of weapons, also are responsible for the storage and main-

tenance of the related containers. Empty containers may be stored in custody of either the ordnance officer or supply officer depending upon local procedure.

3. ACCOUNTING AND CONTROL

a. Initial Receipt. New containers initially received from production in the Appropriation Purchases Account will be taken up and immediately expended as a statistical charge to the appropriation, allotment, project order, and functional account ultimately chargeable for services and work performed on the parent missile system in accordance with the Navy Comptroller Manual, par. 022082-4a.

b. Transfers. Transfers of empty containers to other supply officers will be accomplished on a memorandum no price invoice. Transfers to commercial contractors, at the direction of the Navy Ships Parts Control Center or the Naval Ordnance Systems Command, as government furnished material, are provided for filling and shipping and will be treated as nonreimbursable issues for accounting purposes. Containers shipped to contractors will be reported as a statistical charge to the appropriation data cited in the basic contract in accordance with the Navy Comptroller Manual, par. 022082-4a,

c. Records and Reports. Stock records under either manual or mechanized Procedures will be established for all empty containers in storage. Certain containers may be the subject of stock status reporting when prescribed by Navy Ships Parts Control Center or Naval Ordnance Systems Command instructions. Additionally, the logistic agent of cognizant fleet commanders may require periodic reports on empty containers. The fleet commanders also may direct the movement of empty containers between activities to support the loading or offloading of ships.

Section III: SPECIAL CLOTHING

▼ 25899 DEFINITION

Special clothing is a specialized type of organizational clothing as defined in U.S. Navy Uniform Regulations, art. 3901.2a. Special clothing includes cold weather clothing, utility clothing and wet weather clothing. It does not include flight clothing, medical clothing, passive defense (or disaster control) clothing, radiological clothing, anti-contamination clothing, or rocket fuel handler's protective clothing. Special clothing is designed for providing environmental protection under various climatic conditions and for incorporating camouflage characteristics when required for Naval personnel assigned to duties under environmental conditions when standard articles of uniforms are inadequate. Special clothing is issued to an individual on a loan basis as equipment and remains the property of the Navy. It is returned to the activity when the individual is transferred. Graduate students of the Naval School Explosive Ordnance Disposal are authorized to retain the green utility working uniforms issued during the course of instruction when transferred to a command/billet which would require the continued wearing of the

↑ aforementioned uniform items.

25900 ALLOWANCES

1. **ESTABLISHMENT OF ALLOWANCES.** Allowances of special clothing are established by the Chief of Naval Operations on the basis of studies of environmental and operational conditions, including camouflage requirements, under which naval personnel serve and on the basis of recommendations of area commanders, commandants of naval districts, the Chief of Naval Air Training, and the bureaus, commands, and offices of the Navy Department. Allowances established by the Chief of Naval Operations are published in pars. 25901-25908 and are stated as maximum permissive allowances. It is not necessary, in all cases, to carry aboard a station all articles and quantities of special clothing authorized in the allowances. Accordingly, only those articles and quantities considered necessary by competent authority will be requisitioned. Area commanders, commandants of naval districts, and the Chief of Naval Air Training, or their delegated subordinate commanders, will establish and publish the allowances of types and quantities of special clothing, within

permissive allowances, which will be carried on board stations. A copy of such allowances will be furnished to the Naval Supply Systems Command and the Navy Fleet Material Support Office. In tailoring the maximum permissive allowances, consideration should be given to conservation and efficient utilization of special clothing, funds, and storage space.

2. COLD WEATHER CLOTHING

a. **Utilization.** Cold weather clothing issued under special clothing allowances in par. 25901 is made available to provide protection for naval personnel exposed to climatic conditions when standard uniform items will not suffice. Cold weather clothing consists of two basic outfits: the A-1, extreme cold weather outfit, and the A-2, intermediate cold weather outfit. In addition, long underwear of all cotton waffle knitwear and waterproof insulated boots and handwear are available. For greater warmth, cold weather clothing items should be worn in combination with standard clothing items, i.e., wool knit sweater, watch cap, working blue jacket, and the like. Units operating in cold weather areas may be required to utilize all or a part of the various cold weather items depending on the weather to be encountered and the nature of the duties involved. The information in subpars. b through f may be considered as a guide for obtaining maximum effectiveness from this clothing. When reference is made to zones, the zone map in par. 25901 will be consulted to determine actual location.

b. **A-2 Type.** The A-2 type of clothing will provide protection in cool to moderately cold conditions, about 30° F., when worn with adequate underclothing. However, this temperature figure may vary, depending on wind conditions, relative humidity, sunshine, and so forth. The efficiency of the outfit can be increased by wearing the jacket in combination with a woolen sweater or shirt. The A-2 clothing is water repellent but not waterproof. It is designed to be worn in zones II, III, IV, V, and VI, or for general shipboard use.

c. **A-1 Type.** The A-1 type of clothing provides protection against wet and cold conditions, and subzero temperatures when worn with removable liner of the jacket. The materials used in A-1 type

clothing are completely waterproof and may be used in rain or spray without the need for additional wet weather clothing. The removable liner of the jacket provides a certain degree of versatility in the amount of protection afforded since the liner may be removed or snapped in as conditions require. This outfit is designed for personnel performing duties of a physically inactive nature such as guards.

d. A-1 and A-2 Jackets. The A-1 and A-2 jackets are designed so that the two may be worn together. The A-1 jacket may be worn over the A-2 jacket. This combination is intended for use in extremely low temperatures or when men will be required to remain motionless for long periods of time during extreme cold weather conditions. In some cases, an A-1 jacket in a size larger than that normally worn may be required for proper fitting.

e. Boots. When wearing the insulated cold weather boot, it is not necessary to wear heavy wool socks. The insulating properties of this boot are such that the cushion sole sock or the wool and cotton sock will suffice.

f. Precautions. To avoid becoming overheated during periods of exertion, slide fasteners will be opened and, if necessary, some clothing will be

removed. However, care should be taken to re-do the items removed and to close slide fasteners as soon as becoming inactive again. This will prevent excessive loss of body heat. The effectiveness of cold weather clothing depends to a great extent on proper fit. Tight garments which result in loss of valuable dead air insulating space and restricted blood circulation cause a person to get cold faster. On the other hand, excessively loose clothing can result in cold drafts at garment openings. Particular attention should be given to avoiding tight footwear and handwear. The A-1 and A-2 outfits will not, nor will any other known clothing, keep a person warm indefinitely if they remain motionless for long periods of time. Periodic running in place and other mild exercises will add significantly to a person's tolerance in cold weather.

25901 STANDARD SHORE OUTFITS

The following table of standard shore outfits indicates the allowance of clothing per man by location. The special clothing allowances are established primarily on the basis of the average temperatures of the coldest and warmest months. The number of men to be outfitted will be determined in accordance with par. 25902. The clothing allowance zones are indicated on the clothing zone map that follows.

STANDARD SHORE OUTFITS

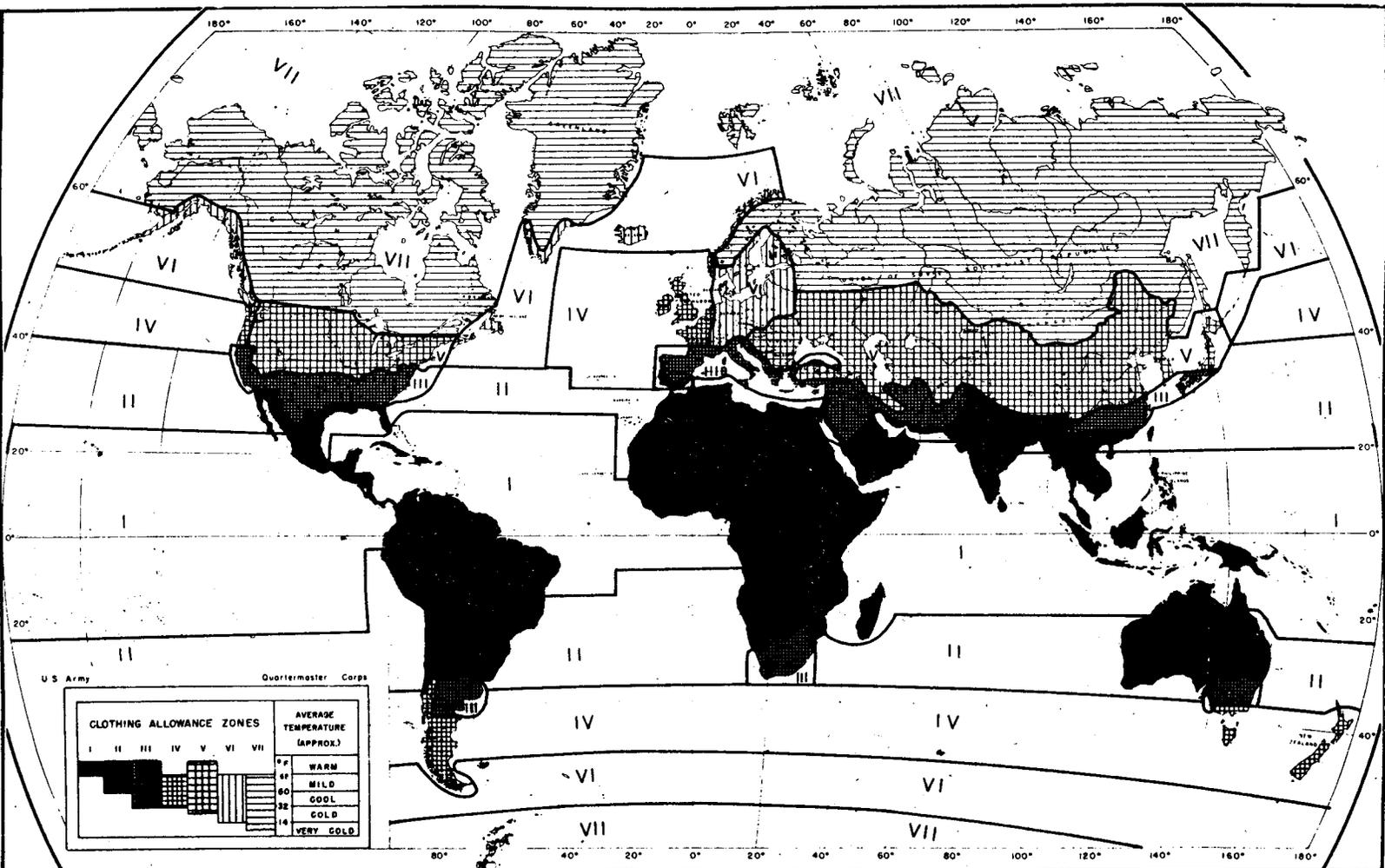
Article	Shore Outfit		Overseas Shore Outfit			Construction and Cargo Handling Battalions and Naval Harbor Defense Units Outfit			Arctic-Antarctic Outfit
	All naval districts except 6th, 8th, 11th	6th, 8th, 11th Naval Districts	Zones			Zones			Zone VII
			I, II including 10th, 14th, 15th Naval Districts	III, IV	V, VI including 13th Naval District	I, II	III, IV	V, VI	
Bag, duffel	0	0	0	0	1	1	1	1	2
Bag, sleeping, mountain, Type I	0	0	0	0	0	0	0	0	1
Bag, sleeping, Arctic, Type II (authorized where no housing is available)	0	0	0	0	0	0	0	0	1
Blanket, wool (authorized where no housing is available)	0	0	0	0	0	0	0	3	3
Boots, combat (working uniform for mobile construction battalions)	0	0	0	0	0	2	2	2	0
Boots, insulated, cold weather, A-1	0	0	0	0	1	0	0	1	1
Boots, hip (boots, knee or boots, fireman's may be ordered)	1/20	1/20	1/10	1/10	1/10	1/2	1/2	1/2	1/2
Cap, cold weather, A-2	1	0	0	0	1	0	0	1	1
Cap, utility, OG	0	0	0	0	0	0	0	0	2
Cap, utility, OG (working uniform for mobile construction battalions)	0	0	0	0	0	2	2	2	2
Drawers, cold weather, A-1	2	2	0	2	2	2	2	3	4
Glasses, sun (for glare only, not for protection against cold)	0	0	1	1	1	1	1	1	1
Goggles, general purpose	0	0	0	0	1	0	0	1	1
Gloves, cold weather, A-1	1	0	0	1	1	1	1	1	2
Helmet, sun	0	0	1	0	0	1	0	0	0
Hood, shore, A-1	1	0	0	0	1	0	1	1	1
Ice creepers	0	0	0	0	0	0	0	0	1
Jacket, extreme cold weather, A-1	*1	1	0	0	1	0	0	1	1
Jacket, intermediate cold weather, A-2	0	1	0	1	1	1	1	1	1
Mittens, cold weather, A-1	0	0	0	0	1	0	1	2	2
Mittens, overwhite (authorized only when personal camouflage is necessary)	0	0	0	0	0	0	0	0	1

STANDARD SHORE OUTFITS--Continued

Article	Shore Outfit		Overseas Shore Outfit			Construction and Cargo Handling Battalions and Naval Harbor Defense Units Outfit			Arctic-Antarctic Outfit
	All naval districts except 6th, 8th, 11th	6th, 8th, 11th Naval Districts	Zones			Zones			Zone VII
			I, II including 10th, 14th, 15th Naval Districts	III, IV	V, VI including 13th Naval District	I, II	III, IV	V, VI	
Overalls, wet weather (raincoat, foul weather, and hat, sou'wester, may be ordered)	1	1	1	1	1	1	1	1	0
Overshoes, Arctic, N-2	1	0	0	0	1	0	1	1	0
Parka, field, overwhite (authorized only when personal camouflage is necessary)	0	0	0	0	0	0	0	0	1
Parka, wet weather (raincoat, foul weather, and hat, sou'wester may be ordered)	1	1	1	1	1	1	1	1	0
Shirt, coat style, OG	0	0	0	0	0	0	0	0	2
Shirt, coat style, OG (working uniform for mobile construction battalions)	0	0	0	0	0	3	3	3	3
Shoes, field, N-1 (until stocks of fleet shoes are available in clothing stores) (shoes, safety may be ordered)	0	0	1	1	1	2	2	2	1
Shoes, safety (working uniform for mobile construction battalions)	0	0	0	0	0	1	1	1	1
Socks, wool	2	1	0	1	2	4	4	6	6
Suspenders	0	0	0	1	1	1	1	1	2
Trousers, extreme cold weather, A-1	0	0	0	0	1	0	0	1	1
Trousers, intermediate cold weather, A-2	1	1	0	1	0	1	1	0	1
Trousers, overwhite (authorized only when personal camouflage is necessary)	0	0	0	0	0	0	0	0	1
Trousers, utility, OG	0	0	0	0	0	0	0	0	3
Trousers, utility, OG (working uniform for mobile construction battalions)	0	0	0	0	0	3	3	3	3
Undershirt, extreme cold weather, A-1	2	2	0	2	2	2	2	3	4

*Jacket, intermediate cold weather, A-2 may be substituted as local climatic conditions dictate.

CLOTHING ALLOWANCE ZONE MAP



25902 ASHORE ALLOWANCES

1. UNITED STATES AND OVERSEAS ZONES I THROUGH V. The standard shore outfit of special clothing for United, States and overseas Zones, I through V is authorized for the following percent of the approved military personnel allowance of the activity, or military personnel on board, including dependent naval activities, aviation squadrons or units, and transit personnel dependent upon the shore activity for special clothing:

Type of activity	Percent of personnel allowance
¹ Air stations (Glasses, sun for 10% of personnel may be added to standard shore outfits.)	50%
Ammunition, mine, and net depots	50%
Amphibious bases	50%
² Communication and radio stations and facilities	10%
Experiment and test stations and centers	10%
Fleet activities	35%
³ Fleet training groups	50%
Hospitals	10%
Inactive ship maintenance facilities (in 4th, 5th, 12th, and 13th Naval Districts)	75%
Inactive ship maintenance facilities (in 8th and 11th Naval Districts)	50%
Laboratories	10%
Naval air rework facilities	70%
Naval facilities conducting oceanographic observations	30%
⁴ Naval stations	10%
Navy Housing Activity, Yokohama	50%
Ordnance stations	75%
Reserve training centers (station-keepers)	80%
Retraining commands	10%
Schools	50%
Ship repair facilities	95%
Shipyards	10%

¹ Aircraft squadron personnel operating in severe climates are authorized 100% allowance for jacket, insulated, extreme cold weather, A-1, and 85% of all remaining items except hip boots

²Naval Security Group Activity, Winter Harbor, Maine, is authorized 60% allowance

³Fleet Training Group, San Diego, is authorized 86% allowance for jackets, intermediate cold weather, A-2

⁴Fleet Air Detachment, Rota, Spain, is authorized 20% allowance

Type of activity	Percent of personnel allowance
Submarine bases	50%
Supply depots, centers, and offices and supply facility	10%
Torpedo station	50%
Training centers and stations	10%

2. OVERSEAS ZONES

a. Zone VI. The standard overseas shore outfit for Zone VI is authorized for 100% of the activity approved military personnel' allowance or military personnel on board, including other dependent naval activities; naval aviation squadrons, wings, and units; and transit personnel dependent upon the shore activity for special clothing.

b. Zone VII. The standard arctic-antarctic shore outfit for Zone VII is authorized for 100% of the activity approved military personnel allowance or military personnel on board, including other dependent naval activities; naval aviation squadrons, wings, and units; and transit personnel dependent upon the shore activity for special clothing.

25903 MISCELLANEOUS ALLOWANCES

1. CONSTRUCTION AND CARGO HANDLING BATTALIONS AND NAVAL HARBOR DEFENSE UNITS

a. Zones I through VI. The standard construction and cargo handling battalion and naval harbor defense unit outfit for Zones I through VI are authorized for 100% of the unit's approved military personnel allowance or military personnel on board. (Public Works Department Occupational Group 13 personnel at Naval Security Group Activity Adak, Alaska are authorized 100% issue allowance for utility green uniforms).

b. Zone VII. The standard arctic and antarctic outfit for Zone VII is authorized for 100% of the unit's approved military personnel allowance or military personnel on board.

2. TRAINING AND SPECIAL OPERATING ALLOWANCES. When operating conditions require, as determined by the fleet or force commander, district commandant, or Chief of Naval Air Training, or their

delegated subordinate commanders, the standard United States shore outfit and the standard overseas shore outfit may be augmented for personnel engaged in training exercises or special operations by the addition of any of the following items:

Bag, duffel	1 per man
Bag, sleeping, mountain, type I	1 per man
Bag, sleeping, Arctic, type 11	1 per man
Blankets	2 per man
caps, utility, OG	2 per man
Drawers, cold weather, A-1	2 pairs per man
Shirt, coat style	3 per man
Shoes, field, N-1	2 pairs per man

Trousers, utility, OG	3 pairs per man
Undershirt, cold weather, A-1	2 per man

25904 PROCUREMENT RESTRICTIONS
FOR ACTIVITIES NOT DESIGNATED AS A STOCK POINT

Because of the distinctiveness of the Navy's special clothing and the undesirable conditions that would be brought about by the wearing of assorted types of special clothing of various nonregulation styles, colors, and other differences, local purchase or acquisition of special clothing or articles similar thereto from other services will be made only with the approval as prescribed in par. 23145.

25905 SIZE TARIFF

The following table is furnished for the

guidance of supply officers when more specific use data are not available:

Size	Percentage
Boots, Insulated, Cold Weather	
6R	1.61
6W	1.49
7R	4.21
7W	2.99
8R	11.40
8W	9.54
9R	14.96
9W	10.70
10R	15.69
1 OW	6.59
11R	8.38
11W	4.45
12R	3.69
12W	2.25
13R .....	.67
13W	<u>1.38</u>
	100.00

Boots, Rubber, Hip	
7	6.68
8	15.86
9	26.42
10	29.46
11	15.35
12	5.34
13 .....	.60
14 .....	.15
15	<u>.14</u>
	100.00

Boots, Knee	
5 .....	.55
6	5.80
7	8.94
8	15.20
9	22.40
10	26.50
11	13.28
12	6.27
13 .....	.69
14 .....	.30
15	<u>.07</u>
	100.00

Cap, Intermediate Cold Weather, A-2	
Small	13.17
Medium	47.04
Large	30.45
X-Large	<u>9.34</u>
	100.00

Cap, Utility, Olive Green	
6 1/2	3.15
6 3/4	11.87
7	34.91
7 1/4	38.53
7 1/2	9.97
7 3/4	<u>1.57</u>
	100.00

Size	Percentage
Drawers, Extreme Cold Weather, A-1	
Small	26.45
Medium	44.30
Large	23.78
X-Large	<u>5.47</u>
	100.00

Gloves, Cloth, Cold Weather, A-1	
Small	27.08
Medium	40.02
Large	28.93
X-Large	<u>3.97</u>
	100.00

Hat, Sou'wester	
7	29.32
7 1/4	43.73
7 1/2	21.20
7 3/4	<u>5.75</u>
	100.00

Hood, Extreme Cold Weather, Ship, A-1	
Small	12.68
Medium	54.34
Large	29.18
X-Large	<u>3.80</u>
	100.00

Hood, Extreme Cold Weather, Shore, A-1	
Small	1.16
Medium	48.83
Large	33.73
X-Large	<u>16.28</u>
	100.00

Jacket, Insulated, Extreme Cold Weather, A-1	
Small	15.14
Medium	42.56
Large	34.55
X-Large	<u>7.75</u>
	100.00

Jacket, Intermediate Cold Weather, A-2	
Small	35.32
Medium	41.70
Large	17.94
X-Large	4.00
XX-Large	<u>1.04</u>
	100.00

Leggings, White	
1	3.23
2	3.70
3	30.10
4	12.07
5	21.58
6	21.56
7	1.96
8	1.05
9	<u>4.75</u>
	100.00

Size	Percentage
Mittens, Cold Weather, A-1	
Small	12.63
Medium	55.72
Large	23.05
X-Large	8.60
	<u>100.00</u>

Size	Percentage
Overalls, Wet Weather	
Small	13.43
Medium	52.24
Large	30.34
X-Large	<u>3.99</u>
	<u>100.00</u>

Size	Percentage
Overshoes, Rubber, Arctic, N-1 (Afloat)	
5 .....	.85
6	1.41
7	3.72
8	11.49
9	21.66
10	26.55
11	17.47
12	12.23
13	2.96
14	1.19
15	<u>.47</u>
	<u>100.00</u>

Size	Percentage
Overshoe scrubber, Arctic, N-2 (Ashore)	
5 .....	.29
6 .....	.43
7	2.38
8	9.01
9	20.13
10	28.39
11	21.37
12	13.35
13	3.58
14	1.01
15	<u>.06</u>
	<u>100.00</u>

Size	Percentage
Parka, Wet Weather	
Small	12.27
Medium	51.67
Large	31.25
X-Large	<u>4.81</u>
	<u>100.00</u>

Size	Percentage
Raincoat, Foul Weather	
36	9.40
38	25.35
40	32.77
42	19.88
44	<u>12.60</u>
	<u>100.00</u>

Size	Percentage
Shirt, Flannel, OD (Flight Crews and Submarine Personnel)	
13 1/2 - 33 .....	.85
14 - 33	5.39
14 1/2 - 33	15.99
15 - 33	23.73
15 1/2 - 33	19.56
16 - 34	19.91
16 1/2 - 34	7.60
17 - 34	5.27
17 1/2 - 35	1.17
18 - 35	<u>.53</u>
	<u>100.00</u>

Size	Percentage
Shirt, Coat Style	
Small	40.00
Medium	48.14
Large	11.12
X-Large	<u>.74</u>
	<u>100.00</u>

Size	Percentage
Shoes, Service, Field, N-1	
9A .....	.01
B .....	.01
c .....	.03
D .....	.17
E .....	.14
	.12
5 1/2 A .....	.01
B .....	.01
c .....	.03
D .....	.19
E .....	.23
F .....	.21
6A .....	.01
B .....	.03
c .....	.16
D .....	.76
E .....	.56
	.35
61 1/2 A .....	.01
B .....	.04
c .....	.19
D	1.03
E .....	.97
F .....	.55
7 A .....	.01
B .....	.05
c .....	.44
D	2.19
E	1.83
	.86
71 1/2 A .....	.02
B .....	.10
c .....	.75
D	3.10
E	2.92
F	1.30

Size	Percentage
Shoes, Service, Field, N-1--Cont.	
8A .....	.03
B .....	.12
c	1.13
D	4.54
E	4.34
.....	1.51
8 1/2 A .....	.03
B .....	.19
c	1.44
D	5.89
E	4.45
F	2.10
9A .....	.03
B .....	.19
C	1.68
D	6.12
E	4.58
.....*	2.10
9 1/2 A .....	.06
B .....	.16
C	1.56
D	5.53
E	4.42
F	1.93
10A .....	.06
B .....	.15
c .....	.98
D	4.60
E	2.68
F .....	.88
10 1/2 A .....	.06
B .....	.15
c .....	.98
D	3.78
E	2.50
F .....	.84
11A .....	.03
B .....	.10
c .....	.69
D	1.59
E	1.21
F .....	.52
11 1/2 A .....	.03
B .....	.10
c .....	.27
D .....	.78
E .....	.59
F .....	.36
12A .....	.02
B .....	.10
c .....	.20
D .....	.48
E .....	.31
F .....	.21
12 1/2 A .....	.02
B .....	.05
c .....	.08
D .....	.15
E .....	.10
F .....	.02

Size	Percentage
Shoes, Service, Field, N-1-- Cont.	
13A .....	.02
B .....	.04
c .....	.08
D .....	.15
13E .....	.10
F .....	.02
13 1/2 A .....	.02
B .....	.03
c .....	.06
D .....	.10
E .....	.05
F .....	.02
14A .....	.02
B .....	.02
c .....	.02
D .....	.02
E .....	.02
F .....	.02
	<u>100.00</u>

Socks, Wool and Cotton, Cushion Sole

9	5.15
10	24.98
11	44.07
12	20.80
13	4.24
14 .....	.76
	<u>100.00</u>

Socks, Wool and Cotton, Winter

10	16.89
11	36.61
12	33.65
13	9.43
14	3.42
	<u>100.00</u>

Sweater, High-Neck Style

Small	20.33
Medium	52.44
Large	23.63
X-Large	3.60
	<u>100.00</u>

Trousers, Cotton, Utility, OG

Small	30.27
Medium	53.09
Large	14.78
X-Large	1.30
XX-Large .....	.56
	<u>100.00</u>

Trousers, Insulated,
Extreme Cold Weather, A-1

Small	23.39
Medium	44.80
Large	26.48
X-Large	5.33
	<u>100.00</u>

<u>Size</u>	<u>Percentage</u>
Trousers, Intermediate, Cold Weather, A-2	
Small	34.88
Medium	49.51
Large	15.45
X- Large . . . . .	.16
	100.00
Trousers, Wool, Field, Olive Green (Submarine Personnel Only)	
X-Small Short	1.62
X-Small Regular	1.09
Small Short.....”.....	5.00
Small Regular	1.39
Small Long	6.87
Medium Short	2.31
Medium Regular.	19.00
Medium Long.	41.20
Large Regular	5.56
Large Long	11.57
X- Large Regular.. . . .	1.37
X- Large Long	3.02
	100.00
Undershirt, Extreme Cold Weather, A-1	
Small	26.06
Medium	44.99
Large	23.83
X- Large	5.12
	100.00

→ 25906

25907 REQUISITIONING PROCEDURE

1. REQUESTS FOR ISSUE, A DOD Single Line Item Requisition System Document (DD Form 1348) will be prepared by the head of department or his delegated representative and presented to the supply officer for special clothing required to fill the department allowances prescribed by the commanding officer. The original request document will be marked to indicate that an obligation has been established and then filed pending the receipt of the special clothing.

2. REQUISITIONS NOT IN EXCESS OF AUTHORIZED ALLOWANCES

a. General Instructions. Special clothing not in excess of prescribed allowances will be requisitioned on the DD Form 1348. As all special clothing, whether new, used, or renovated, is carried in the Navy Stock Ac-

count by stock points, charge will be made at the prices indicated in the Standard Price Supplement to Navy Stock List of Clothing, Textiles, and Related Items. Requisitions will include the appropriation, allotment number, and functional account chargeable for the special clothing.

b. Submission in the United States. Activities in the United States requiring special clothing not in excess of the authorized allowance will submit requisitions to the stock points indicated in par. 26630.

c. Submission Outside the United States. Activities located outside the United States requiring special clothing not in excess of authorized allowances will submit requisitions through channels established by area commanders.

3. REQUISITIONS IN EXCESS OF AU-

a. Additional Quantities. Activities ashore will submit requests for additional quantities of an article prescribed in the standard outfit on DD Form 1348 accompanied with a forwarding letter to the cognizant commandant of the naval district, to the Chief of Naval Air Training, fleet or area commanders for overseas stations, or their delegated subordinate commanders for approval. Requests will be certified as prescribed in subpar. 1. Commandants of naval districts, the Chief of Naval Air Training, fleet or area commanders, or their delegated commanders are authorized to approve requests of this type. A copy of the request accompanied with a copy of the approval action will be forwarded to the Commanding Officer, Navy Fleet Material Support Office, for use in evaluating allowances. After approval, in excess requests will be forwarded to the appropriate stock point responsible for the support of the area in which the activity is located.

b. Additional Articles. Activities ashore will submit requests for additional articles on DD Form 1348 accompanied with a forwarding letter to the Chief of Naval Operations via the cognizant commandant of the naval district of Chief of Naval Air Training and the Naval Supply Systems Command (Deputy Commander for Supply Operations) for approval. The request will contain detailed justification for the need of the additional articles.

25908 ISSUES TO DEPARTMENTS

1. **AUTHORITY.** The commanding officer will be responsible for apportioning the activity allowance of special clothing to the various departments. A sufficient quantity may be allocated to the supply department to take care of miscellaneous issues to individuals who are not covered by other department allowances. A written directive signed by the commanding officer stating the items and quantities of special clothing allowed each department will be furnished to the supply officer as authority for making the issue. A copy of the directive will be furnished to the head of each department receiving an allowance of special clothing.

2. **MARKING.** Prior to issue, each item of special clothing will be marked for recording purposes. A separate series of numbers will be assigned to each article in each department based on the allocation prescribed by the commanding officer. Each number will be prefixed by a letter code to identify the particular department. It is suggested that, when possible, the first letter of the department title will be used (that is, 20 jackets, A-1, issued to the Engineering Department, would be labeled E1 through E20). The last serial number of an item will not exceed the quantity allowed to the department. Replacement items will be marked with the same number as the item being replaced. Care will be taken to obliterate all previous markings on renovated special clothing before assigning the new number.

25909 ISSUES TO POOLS

Commanding officers may establish special clothing pools in lieu of or in addition to issues of special clothing to heads of departments. When a special clothing pool is established, the commanding officer will designate, in writing, an officer as custodian of the special clothing pool. Such designation may be made through the sup-

ply department organization manual. The duties and responsibilities of the designated custodian will be the same as those prescribed for heads of departments. These special clothing pools do not relieve the supply officer of the responsibilities and requirements to maintain the special clothing storeroom. At industrial type activities, issues from a special clothing pool, if operated in conjunction with a tool issue room, may be made on a check out basis in the same manner as working tools.

25910 ISSUES TO INDIVIDUALS

Receipt signatures for items of special clothing issued to individuals are not required but may be obtained at the option of the department head concerned. An informal record of issues to individuals will be maintained. A looseleaf notebook or other convenient record may be utilized for this purpose.

25911 SALES TO FOREIGN GOVERNMENTS

Navy retail stock points and consumer activities carrying bulk stock of special clothing are authorized to sell items of special clothing on a reimbursable basis without an advance of funds, in accordance with the Navy Comptroller Manual, par. 035950-2, to naval ships or military aircraft of friendly foreign governments visiting United States activities, provided that the following requirements are met:

1. all "USN" markings are obliterated;
2. the quantity sold does not exceed the allowance for United States Navy ships or aircraft of a similar type as prescribed in afloat allowance authorizations;
3. sales will be restricted to naval ships or military aircraft visiting a United States naval activity incident to participation in exercises with United States Fleets; research, development, and evaluation programs; outfitting incident to ships transfer programs; or scheduled conversion, overhaul, or repair.

Section IV: CHEMICAL, BIOLOGICAL, AND RADIOLOGICAL DEFENSE PROTECTIVE CLOTHING

25920 DEFINITION

Chemical, biological, and radiological defense protective clothing is designed to minimize the hazards of exposure to chemical, biological, and radiological warfare and to provide decontamination crews with suitable protective clothing. The instructions herein do not apply to detection apparatus, decontamination materials, or to gas masks or component equipment.

25921 ARTICLES UNDER COGNIZANCE OF THE NAVAL SUPPLY SYSTEMS COMMAND

The following articles are under the cognizance of the Naval Supply Systems Command (NAVSUP):

- Clothing outfit, impregnated
 - Five unit outfit (federal stock number 9D 8415-261-6668)
 - Ten unit outfit (federal stock number 9D 8415-261-6667)

Gloves, fabric, knitted, impregnated
 Parka, jumper length, impregnated
 Trousers, fabric, impregnated
 Socks, wool and cotton, impregnated
 Impregnate, shoes, leather dressing, vesicant gas
 Set, impregnating clothing, field, M-3
 Kit, testing, impregnite-in-clothing, M-2
 Monochlorobenzene, 2 ounce bottle
 Monochlorobenzene, 8 ounce bottle
 (to replace solvent in kit, impregnite testing, field, M-2)
 Boots, rubber, unimpregnated
 Gloves, rubber, unimpregnated
 Overshoes, rubber, unimpregnated
 Overalls, wet weather, unimpregnated
 Parka, wet weather, unimpregnated
 Parka, jumper length, unimpregnated
 Trousers, fabric, unimpregnated
 Socks, wool and cotton, unimpregnated

25922 RESPONSIBILITY

1. NAVAL SUPPLY SYSTEMS COMMAND. In connection with chemical, biological, and radiological defense (CBR Defense) protective clothing, the Naval Supply Systems Command is responsible for:

1. establishing policies and procedures for procurement, funding, and budgeting for requirements of naval units, both afloat and ashore;
2. establishing allowances for protective clothing for activities ashore based on criteria furnished by the systems commands, bureaus, and offices;
3. maintaining liaison with the Naval Ship Systems Command and the Naval Facilities Engineering Command relative to the development of the technical requirements for protective clothing and related articles.

2. NAVY FLEET MATERIAL SUPPORT OFFICE. The Navy Fleet Material Support Office (FMSO) is responsible for the procurement, documentation, and distribution of all articles listed in par. 25921 and related components used in the manufacture and impregnation thereof except:

Set, impregnating, field, M-3
 Monochlorobenzene, 2 ounce bottle
 Monochlorobenzene, 8 ounce bottle
 Impregnite, shoes, leather dressing, vesicant gas

3. NAVY SHIPS PARTS CONTROL CENTER. The Navy Ships Parts Control Center (SPCC) is responsible for the inventory control of:

Set, impregnating, field, M-3
 Monochlorobenzene, 2 ounce bottle
 Monochlorobenzene, 8 ounce bottle
 Impregnite, shoes, leather dressing, vesicant gas

25923 DISTRIBUTIVE ORGANIZATION

Chemical, biological, and radiological defense protective clothing and related items except rubber gloves will be stocked at the stock points listed in par. 26630 for special clothing.

25924 STOWAGE

The following stowage procedure will be adhered to for prolonging the life of the impregnite and for reducing deterioration of the fabric in the protective clothing:

1. stow in the coolest, driest place available; protect from direct sunlight because moisture, high temperature, and the ultra-violet rays in sunlight are very destructive to the impregnite and the clothing; stow in the original cartons when practicable;
2. avoid contacts with organic solvents such as alcohol, gasoline, drycleaning solvents, chlorinated hydrocarbons, or other similar materials; vapors from these substances also are detrimental;
3. hang damp clothing to dry, as soon as possible, in a cool spot out of direct sunlight;
4. do not use mothproofing agents on impregnated clothing;
5. do not place deteriorated clothing in contact with serviceable impregnated clothing for any length of time because clothing which has lost its impregnite initiates and accelerates deterioration in serviceable clothing.

25925 ALLOWANCES

The method of computing allowances of chemical, biological, and radiological defense protective clothing and related items for use ashore are established and promulgated by the Naval Supply Systems Command. The service and working uniforms normally worn by naval personnel provide a fair degree of personal protection against biological warfare agents if the trousers are tucked into the socks and if the closures at the wrist and the neck are secured. Rainwear items of special clothing and of service uniforms provide additional biological defense protection as well as a limited degree of radiological defense and chemical defense protection. Therefore, the quantities of chemical, biological, and radiological defense protective clothing in the allowance list will provide the following outfits only for decontamination squads:

Chemical defense decon- tamination	Biological defense decon- tamination	Radiological defense decon- tamination
Gloves, rubber	Gloves, rubber	Gloves, rubber

Chemical defense decontamination	Biological defense decontamination	Radiological defense decontamination
Boots, rubber Socks, wool or cotton Jumper, parka, impregnated Trousers, impregnated One layer of personal workclothing under the impregnated clothing	Boots, rubber Socks, wool or cotton Two layers of personal clothing with adequate wrist, neck, and ankle closures	Boots, rubber Parka, wet-weather Trousers, rain; Personal clothing under the rain gear

protective clothing for training, a request may be submitted to the Navy Fleet Material Support Office for a special training allowance in excess of the station allowance.

25927 RECEIPT

Chemical, biological, and radiological defense protective clothing and related items will be turned over immediately upon receipt to the cognizant head of department or to his designated representative, who will have custody of the items. Receipt signatures for such material may be obtained directly on a copy of the incoming receipt paper which accompanied the material or on a copy of the original request placed in the supply office file at the time the special clothing was requisitioned. Such receipt documents then will be forwarded to the supply office for processing. For instructions regarding shortages and overages of such protective clothing, see par. 23103.

25926 RESPONSIBILITY FOR FILLING ALLOWANCES

1. THE COMMANDING OFFICER. The commanding officer or the officer in charge, as appropriate, of each shore activity but not including those activities specifically exempted as indicated in the allowance list, is responsible for submitting requisitions to fill allowances of such protective clothing and related items, as directed by the commandant of the naval district or by the area commander of the naval district or the area in which the activity is located. Requisitions will be prepared on a DOD Single Line Item Requisition System Document (DD Form 1348) and will show the appropriation, the allotment number, and the functional account chargeable, and will be marked plainly "To fill CBR Defense allowance".

25928 RECORDS

Records for chemical, biological, and radiological defense protective clothing and related items will be kept in accordance with par. 24015. Records for these items also will show the low limit by quantity of stocks of clothing items, special clothing, items of clothing carried as general stores, and on board special clothing allowances which are components of or are acceptable substitutes for chemical, biological, and radiological defense protective clothing; and, therefore, will be considered a part of the on hand quantity in computing requirements for chemical, biological, and radiological defense protective clothing.

2. THE COMMANDANT OR AREA COMMANDER. The commandant of the naval district or the area commander in which the station is located will consolidate the requirements of his district or area. The shipping instructions and the requisitions will be submitted to the source of supply responsible for the support of the area in which the activity designated to receive the material is located. The allowances will be filled in the established order of priority. Commandants of the naval districts and area commanders may, at their discretion, distribute and pool stocks of such protective clothing and related items to provide for mutual support of chemical, biological, and radiological defense operations among activities within their respective districts or areas. When such protective clothing is required for training purposes and the station allowance is not adequate to provide such

25929 INSPECTION AND ROTATION OF CHEMICAL, BIOLOGICAL, AND RADIOLOGICAL DEFENSE PROTECTIVE CLOTHING

Chemical, biological, and radiological defense protective clothing which is transferred from stock points to activities ashore will be unimpregnated and therefore normally will not require inspection and testing in connection with impregnate content. This protective clothing in stock will be impregnated locally on an emergency basis, when required, or in small lots when required for training purposes, using Set, impregnating, field, M-3. Clothing impregnated locally will be tested as prescribed in Chemical Warfare Defense published by the Naval Facilities Engineering Command.

Section V: MISCELLANEOUS INSTRUCTIONS AND INFORMATION RELATING TO CLOTHING, INDIVIDUAL EQUIPMENT, AND BEDDING

25940 RECOVERY DISPOSAL, AND ALLOWANCE OF CLOTHING AND INDIVIDUAL EQUIPMENT

1. GENERAL. The instructions relative to the separation of enlisted personnel from the Navy for various reasons are prescribed in the Bureau of Naval Personnel Manual, Chapter 38, Section 40. The instructions included herein amplify the provisions of the Bureau of Naval Personnel Manual with respect to the recovery and disposal of clothing and individual equipment, such as bedding, from enlisted personnel who are discharged by reason of unsuitability, security, unfitness, or misconduct, with an honorable or general discharge or who are discharged for any reason with a dishonorable, bad conduct, or undesirable discharge, and with respect to the issuance of civilian clothing to a dischargee who is separated from the Navy for these reasons.

2. RECOVERY OF CLOTHING AND INDIVIDUAL EQUIPMENT FROM DISCHARGE. Upon discharge of an enlisted man or woman for the reasons in subpar. 1, all items which were issued to the dischargee in the initial outfit of clothing and all outer garments and distinctive parts of the uniform, regardless of the manner in which they were obtained, which are in his or her possession at time of discharge will be taken from him or her except the following items which may be retained:

<u>Enlisted man</u>	<u>Enlisted woman</u>
bag, duffel	anklets, all
belt, one	gloves, one pair
drawers, all	lingerie, all
gloves, one pair	raincoat, one
raincoat, one	shirt, one
shoes, general purpose, one pair	shoes, one; pair
(one pair of shoes, low, black, may be retained if shoes, general purpose, are not in his possession)	stockings, all
socks, all	uniform, blue, one
sweater, jersey style, one (to be issued in winter months or during inclement weather conditions when it has been determined necessary by the commanding officer)	(all distinctive markings and buttons to be removed prior to release)
undershirts, all	

3. ISSUE OF CIVILIAN CLOTHING TO DISCHARGE

a. Allowance. When the items of civilian clothing authorized to be retained (see subpar. 2) are insufficient in type or quantity to be worn home, an outfit of civilian clothing, including an overcoat when necessary, will be procured and issued at no cost to the dischargee to augment the retained clothing. The following is the maximum outfit to be issued and will be modified, as appropriate, in keeping with the season of the year, taking into consideration the home of record of the dischargee:

- one suit coat or sport jacket (washable or nonwashable) or one windbreaker
- one pair of trousers (washable or nonwashable)
- one shirt suitable for wear with necktie
- one necktie
- one belt
- one raincoat or topcoat (not needed if windbreaker is issued)

The cost of such clothing will not exceed \$40 and all cases involving costs above \$30 will be submitted with justification to the Chief of Naval Personnel (Enlisted Performance Division) for review and prior approval. Dischargees in possession of civilian clothing will be furnished additional clothing only to the extent necessary to constitute one outfit. These clothes will be furnished without regard to the state of the person's accounts or amounts of personal funds in the individual's possession. Individuals transferred prior to the actual execution of the discharge will take all their uniforms with them to the place to which transferred.

b. Sources of Supply. In localities where there is a recurring demand for civilian clothing for issue to dischargees, a fixed price indefinite quantity contract (see Field Purchasing, par. 3000) or a blanket purchase agreement (see Field Purchasing, pars. 5125-5131), as appropriate, will be made against which orders may be placed. In localities where no contracts are in force and there is no recurring demand for civilian clothing, individual orders may be placed when civilian clothing is required. A receipt for the clothing will be obtained from the individual at the time of issue. The individual's receipt and the commanding officer's order directing the purchase will be forwarded to the disbursing officer with the vendor's invoice and the purchase order. The cost of the clothing will be charged to the operating funds of the activity that effects the discharge. ←
←
←

4. DISPOSITION OF RECOVERED CLOTHING AND INDIVIDUAL EQUIPMENT

a. At Activities Outfitting Naval Reserves and at Naval Training Centers. The instructions relative to the disposition of recovered clothing and individual equipment are contained in issuances under the Navy Directives System promulgated to applicable activities by the Navy Fleet Material Support Office.

b. At Other Activities. At activities, other than those specified in subpar. a, all recovered items will be turned over to the "lucky bag" (see par. 13139) or will be considered scrap or salvage and will be reported to the appropriate authorized selling activity for sale in accordance with the Defense Disposal Manual.

25941 BEDDING FOR NAVAL PERSONNEL ON ACTIVE DUTY

1. DEFINITION. The term "bedding" as used herein means one or more of the following articles:

- bedspreads
- blankets
- mattresses
- mattress covers
- pillows
- pillowcases
- sheets

2. RESPONSIBILITY. Articles of bedding are provided to all naval personnel as organizational property.

3. ISSUE CRITERIA. The following chart outlines the articles of bedding which normally are provided to the various categories of naval personnel and indicates the basis upon which the bedding is furnished:

Article of bedding	Officer Personnel	Enlisted Personnel		
		Pay Grade E-7 and above	Below Pay Grade E-7	
			Female (USN/USNR)	Male (USN/USNR)
Bedsread	(1), (4)	(2), (4)	(2), (4)	(3)
Blankets	(1), (4)	(1), (4)	(1), (4)	(1), (4)
Mattress	(1), (4)	(1), (4)	(1), (4)	(1), (4)
Mattress covers	(2), (4)	(2), (4)	(2), (4)	(1), (4)
Pillow	(1), (4)	(1), (4)	(1), (4)	(1), (4)
Pillowcases	(1), (4)	(1), (4)	(1), (4)	(1), (4)
Sheets	(1), (4)	(1), (4)	(1), (4)	(2), (4)

- ¹ Customarily used
- ² Use optional
- ³ Not customarily used
- ⁴ Organizationally furnished

When it is desirable, because of climatic conditions or for, morale purposes, sheets may be issued in lieu of or in combination with blankets for personnel who are not normally provided with sheets.

4. ACCOUNT IN WHICH CARRIED IN STOCK

a. At Stock Points for Cognizance Symbol 9D Material. At stock points for cognizance symbol 9D material all articles of bedding, whether new, used, or renovated, will be carried in stock in the Navy Stock Account.

b. At Activities not Designated as Stock Points for Cognizance Symbol 9D Material. Activities rendering regular Navy Stock Account stores returns in functional account 51000 may stock limited quantities of bedding. However, the Navy Stock Account will not be used indiscriminately for frequent with-

drawals of small quantities and unwarranted returns to store.

5. ISSUES FOR STATION USE

a. Financing and Ownership. Provision of the required articles of bedding, including the replacement and renovation thereof, is an integral part of the maintenance and operation financing of the station. On an organizational basis, the bedding remains with the station.

b. Custody. Organizationally maintained bedding expended to end use will be placed in the custody of the head of department or officer responsible for station berthing.

c. Marking. Articles of bedding which are susceptible to misappropriation should be adequately marked to indicate ownership. Stenciled markings such as "U. S. Navy", "U S N", or "U S" are acceptable markings

indicating government ownership. Simple style lettering should be used and the size of the stencil should be appropriate for the article concerned.

6. RENOVATION AND DISINFECTION. Stations will effect their own renovation and disinfection or obtain renovation and disinfection services from a Navy exchange, if authorized by Navy Resale System Office, Brooklyn, or from local commercial sources provided these services are available and economical. The cost of renovation and disinfection service will be borne by the maintenance or operating funds of the station.

7. BEDDING TURNED IN TO STORE

a. Return of Bedding. Bedding in excess of station requirements may be turned in on a no price invoice to any activity carrying bedding articles in a stores account, but preferably to a stock point carrying cognizance symbol 9D

material. Credit will be granted to the allotment cited by the returning activity in accordance with condition criteria in NAV-SUPINST 4440.157 providing the material in all respects meets the inventory manager's prescribed requirements for granting credit for material returned to store. Since no credit to the allotment financing a station will be granted for bedding turned in and requiring renovation and disinfection, no advantage will be gained if bedding is arbitrarily turned in to avoid local renovation and disinfection when renovation and disinfection are within the capabilities of local facilities.

b. Reissue of Bedding in Less Than New Condition. Bedding in less than new condition will be carried in stock at 50% of the standard price rounded off to the next higher \$0.05. Issues of such bedding will be made prior to the issuance of new bedding except when a specific request is made for new bedding.

Section VI: ESTABLISHMENT OF JOINT CLOTHING STORE

25950 PRELIMINARY ACTION REQUIRED

When a Navy retail clothing store located at a Marine Corps activity is to be disestablished and a joint clothing store established with the Marine Corps, prior to this disestablishment, the Navy supply officer will review the clothing stocks on hand, dispose of all unserviceable and other than standard items of clothing, and reduce stocks of serviceable clothing to the stock level prescribed for ashore activities in par. 42101.

25951 INITIAL TRANSFER TO MARINE CORPS

Clothing stocks transferred to the Marine Corps will be invoiced on an itemized DOD Single Line Item Release/ Receipt Document (DD Form 1348-1) as a charge to the Marine Corps Stock Fund. Billing will be effected by utilizing Voucher for Transfers Between Appropriations and/or Funds (Standard Form 1080) and crediting the Navy Stock Fund, 17X4911, functional account 98021. The Standard Form 1080 will be forwarded to the Marine Corps activities for completion of the accounting data and certification. The initial transfer will be reported as a "Cash sale" expenditure on the Financial Inventory Report (NavCompt Form 2154). When all stocks have been disposed of and zero balance is reached, a final stores account return will be rendered.

25952 MATERIAL ON ORDER AT TIME OF TRANSITION

Navy supply activities holding requisitions submitted" by the Navy supply officer at the time of transition will invoice and bill the Marine Corps for the material issued as

prescribed in par. 25953. When material invoiced in the Navy Stock Account is received by the Marine Corps Property Control Officer as a shipment "within stores" to the requisitioning Navy activity, that officer will report the material as a receipt with charge to the Marine Corps Stock Fund in accordance with normal Marine Corps procedures. The Navy supply activity will be notified to reverse the issue transaction to the Navy activity and to rebill the material to the Marine Corps.

25953 MARINE CORPS REQUISITIONS

Material requisitioned by the Marine Corps from the applicable source of supply will be invoiced to the Marine Corps on DOD Single Line Item Release/ Receipt Document (DD Form 1348-1) and charges billed on Voucher for Transfers Between Appropriations and/or Funds (Standard Form 1080) prepared in accordance with par. 25360. Navy supply activities are authorized to accept requisitions from Marine Corps activities as indicated below:

<u>Marine Corps activity</u>	<u>Navy supply source</u>
All East Coast and Atlantic Ocean area activities	Naval Supply Center, Norfolk
All West Coast activities	Naval Supply Center, San Diego
All Pacific Ocean area activities	Naval Supply Center, Pearl Harbor

25954 INVOICING AND BILLING

When a Marine Corps activity operating a joint clothing store determines that it is

necessary to reduce the stock level of stocks of serviceable Navy clothing carried in the Marine Corps Stock Fund Account, the Navy source of supply will accept return of all these standard serviceable clothing items with reimbursement to the Marine Corps Stock Fund. Returned clothing will be invoiced by the Marine Corps on a DOD Single Line Item Release/Receipt Document (DD Form 1348-1).

A Voucher for Transfers Between Appropriations and/or Funds (Standard Form 1080) supported by the original and three copies of the DD Form 1348-1 will be submitted to the Navy supply activity for certification, charging the Navy Stock Fund, 17X4911, and the open allotment for returned material designated in the Navy Comptroller Manual, par. 023304, and functional account 51000.

Section VII: SUBSISTENCE STOCKS

25975 ROTATION OF NAVY OWNED SUBSISTENCE STOCKS

1. **ROTATION.** Normally, rotation of Navy owned subsistence stocks will be achieved by issue or transfer of the oldest date of pack material held. Activities holding prepositioned war reserve stocks may not be able to rotate certain reserve stock items through normal demand because of their cost, restricted use, and general preference for perishable counterpart items. These items are designated special program reserve stock items (peculiar) and rotation is achieved by continually scheduled forced issues directed by the Navy Fleet Material Support Office. Since stocks are forced on consumer activities, the prices are reduced to conform with the prices of the perishable item counterpart. Packaged operational rations and meals will be reduced to no cost prior to issue.

2. FORCED ISSUES OF PREPOSITIONED WAR RESERVE STOCKS

a. **To Navy Activities.** Forced issues of subsistence items to Navy activities will be transferred at the forced issue prices directed by the Navy Fleet Material Support Office. The difference between the forced issue prices and the prices at which carried in the Navy Stock Account will be expended with charge to the appropriation, Military Personnel, Navy, subhead .2241, functional account 73003, and bureau control number →41118.

b. **To Marine Corps Activities.** Forced issues of subsistence items to Marine Corps activities will be expended from the Navy Stock Account as a cash sale at the forced issue prices requested by the Commandant of the Marine Corps and directed by the Navy Fleet Material Support Office. The receiving activity will be billed for the material at the forced issue prices. The difference between the forced issue prices and the prices at which

carried in the Navy Stock Account also will be expended as a cash sale. The billing document for the price difference will be annotated "Adjustment--money value only--prepositioned war reserve stock" and will be forwarded to the Commandant of the Marine Corps (Code LFS-4), Headquarters U. S. Marine Corps, Washington, D. C. 20380. ← Transportation costs will be charged to the Marine Corps.

c. **Demand.** All forced issues of subsistence items will be recorded as nonreplenishable demand even when the material must be replaced to maintain prescribed stock levels.

3. NORMAL ROTATION PROCEDURE

a. **Stock Segregation.** Subsistence items will be segregated by date of pack and clearly marked to insure that the oldest lot, as packed, is issued first unless a newer lot shows evidence of deterioration.

b. **Locator Cards.** Stock locator cards will be maintained by month and year of pack. It is recommended that, when feasible, the location of the oldest date of pack be indicated on breakout documents.

c. **Surveillance Inspection.** Procedures will be established to insure a visual inspection of all subsistence stock items at least quarterly. Any lot that is nearing the end of the safe storage period or shows evidence of deterioration will be marked and reported for earliest possible issue. Any lot that appears to be of doubtful quality (because of deterioration or otherwise) will be further inspected to determine fitness for human consumption. In addition, farinaeous items which have a tendency to become weevil infested will be inspected semi-annually by military Veterinary Corps personnel, a Public Works or medical entomologist, or by a qualified inspector designated by the area entomologist.

PART F: ILLUSTRATIONS

25990 MATERIAL EXPENDITURE ILLUSTRATIONS

The following illustrations are to be used as a guide for the proper preparation of printed forms covering expenditure of material:

1. Property Accountability Chart 
2. Preparation of Report of Survey (DD Form 200)
3. Preparation of Government Property Lost or Damaged (GPLD) Survey Certificate (DD Form 2090) 

↓ PROPERTY ACCOUNTABILITY CHART

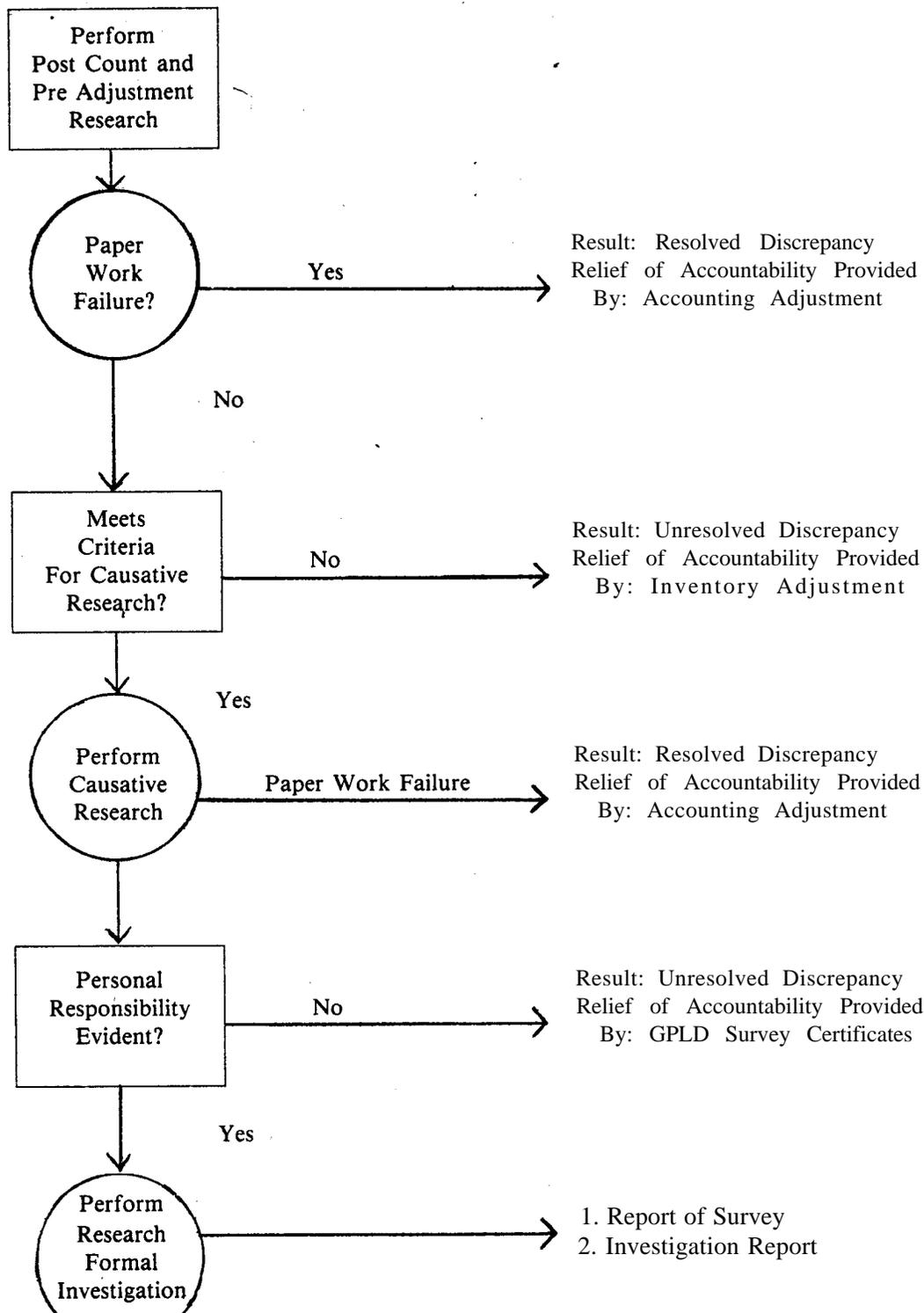


ILLUSTRATION 1



↓ REPORT OF SURVEY (DD FORM 200)

REPORT OF SURVEY		1. DATE	2. SURVEY NUMBER		
		15 May 19 --	0083		
3. CLASS OF PROPERTY Property Book		4. STOCK RECORD ACCOUNT OR OTHER PROPERTY RECORD AND STATION NSA, Naval Supply Center, San Diego, CA			
5. ACCOUNTABLE OR RESPONSIBLE OFFICER (Name, grade, SSN and designation) R. T. Roberts, Lt., SC, USN, 257-86-6635 Code 60					
6. NATIONAL STOCK NUMBER	7. DESCRIPTION	8. QUANTITY	9. UNIT PRICE	10. TOTAL COST	11. DISPOSITION
1H-5930-00-259-8810	Control Panel	1	134.00	134.00	R
SAMPLE					
RECOMMENDED PECUNIARY CHARGE →		12. FOR LOSS		13. FOR DAMAGE \$60.00	
14. DATE AND CIRCUMSTANCES 12 May 19-- During hook-up procedures for new magnetic tape drives, J.K. Lawrence (228-02-8875) backed-up the fork-lift truck into the control panel and damaged the casing. SAMPLE					
15. <u>AFFIDAVIT</u> I do solemnly swear (or affirm) that (to the best of my knowledge and belief) the articles of public property shown above and/or on attached sheets were lost, destroyed, damaged, or worn out in the manner stated, while in the public service.		16. <u>CERTIFICATE</u> I certify that the loss, destruction, damage, or unserviceability of the articles of public property shown above, and/or on attached sheets, was caused in the manner stated and without fault or neglect on my part, and that each article listed with a view to elimination by destruction has been examined by me personally, has never been previously condemned, and is, in my opinion, worthless for further public use.		18. THIS SPACE RESERVED FOR ACTION BY AUTHORITY OF:	
SIGNATURE		SIGNATURE (Accountable or Responsible Officer)			
NAME, GRADE, SSN AND ORGANIZATION N. T. Thompson, GS-9 274-24-8864 Code 601		NAME, GRADE, SSN AND ORGANIZATION R. T. Roberts, Lt, SC, USN 257-86-6635 NSC, San Diego, CA			
SUBSCRIBED AND SWORN TO (or affirmed) BEFORE ME AT 1030 THIS 19th DAY OF May 19 --		17. HEADQUARTERS NSC, San Diego			
SIGNATURE		STATION	DATE		
			15 May 19--		
NAME, GRADE, SSN AND ORGANIZATION OR TITLE; IF NOTARY PUBLIC, AFFIX SEAL G. F. Walker Cdr, SC, USN		TO P. Q. Hall, Lt., SC, USN			
		YOU ARE APPOINTED SURVEYING OFFICER BY ORDER OF A. C. Peters, Capt, SC, USN			
		SIGNATURE OF ADJUTANT/EXECUTIVE OFFICER & DATE		19. PROPERTY VOUCHER NUMBER N00244-0136-2873	

DD FORM 200
1 DEC 73EDITION OF 1 APR 73 MAY BE USED UNTIL EXHAUSTED
S/N 0102-LF-000-2000

ILLUSTRATION 2

REPORT OF SURVEY (DD FORM 200) Continued

(BACK)

20. HEADQUARTERS NSC San Diego		21. STATION NSC San Diego, Code 60		22. DATE 22 May 19--	
23. FINDINGS- I HAVE EXAMINED ALL AVAILABLE EVIDENCE AS SHOWN IN EXHIBITS _____ TO _____ AND AS INDICATED BELOW HAVE PERSONALLY INVESTIGATED THE SAME AND IT IS MY BELIEF THAT THE ARTICLES LISTED HEREON AND/OR ON ATTACHED SHEETS, TOTAL COST \$ <u>60.00</u> was damaged as described in block 14. Recommendation: That the fork-lift operator, J. K. Lawrence, take further precaution in the future in the operation of fork-lifts in equipment sensitive areas. Further recommend that he be relieved of pecuniary liability.					
<h1>SAMPLE</h1>					
SIGNATURE OF SURVEYING OFFICER (Sign here or at end of continuation sheet, as applicable) P. Q. Hall, Lt., SC, USN					
24. I HAVE EXAMINED THE FINDINGS AND RECOMMENDATIONS OF THE SURVEYING OFFICER ON THIS REPORT OF SURVEY AND THE EXHIBITS _____ TO _____ AND <input type="checkbox"/> DESIRE TO MAKE A STATEMENT WHICH IS ATTACHED HERETO; <input type="checkbox"/> DO NOT DESIRE TO MAKE A STATEMENT. I AM AWARE OF MY RIGHT TO LEGAL ADVICE IN PREPARING THE STATEMENT AND, IF A PECUNIARY CHARGE IS FINALLY APPROVED, TO REQUEST RECONSIDERATION, TO MAKE APPEAL AND (If an enlisted man) MY RIGHT TO REQUEST REMISSION OF INDEBTEDNESS.					
TYPED NAME, GRADE AND SSN			SIGNATURE		DATE
25. I HAVE WITNESSED THE DESTRUCTION OF THE ARTICLES TO BE DESTROYED AND/OR RECEIVED THE ARTICLES TO BE TURNED IN TO SALVAGE					
DATE		OFFICER WITNESSING DESTRUCTION, OR SALVAGE OFFICER			
26. APPROVED: Any damaged property shown above and/or on attached sheets has been inspected by me, or by a disinterested officer of suitable grade and arm or service, and the disposal indicated is in the best interests of the public service.		27. RESERVED FOR ACTION OF INSTALLATION COMMANDER (Accountable Activity) Approved		28. REVIEWED BY THE FINANCE OFFICER	
SIGNATURE OF APPOINTING AUTHORITY				HEADQUARTERS	
				DATE	
TYPED NAME AND GRADE A. C. Peters, Capt, SC, USN				NUMBER	
HEADQUARTERS Executive Officer				INITIALS	
STATION NSC, San Diego		29. FOR ACTION OF REVIEWING AUTHORITY ONLY			
DATE 23 May 19--		D. W. Masters, Capt, SC, USN			
NOTE: Items 30 and 31 are provided for any additional data required by individual regulations/procedures of using components.					
30.			31.		

ILLUSTRATION 2- Continued

↓ PREPARATION OF GOVERNMENT PROPERTY LOST OR DAMAGED (GPLD) SURVEY CERTIFICATE (DD FORM 2090)

GPLD (GOVERNMENT PROPERTY LOST OR DAMAGED) SURVEY CERTIFICATE					
1. TO (Name and Address of Reviewing Authority): Executive Officer Naval Supply Center, Norfolk, VA 23512		2. FROM (Name and address of Activity assigned responsibility for GPLD): Naval Supply Center Code 301 Norfolk, VA 23512		3. NAME AND GRADE OF PERSON PERFORMING OR DIRECTING RESEARCH C. D. Harris, Lt, SC, USN	
				4. VOUCHER NUMBER N00189-1050-0033	
5. I certify that the <input checked="" type="checkbox"/> lost <input type="checkbox"/> damaged items described below was not caused by <input type="checkbox"/> simple <input checked="" type="checkbox"/> gross negligence, willful misconduct or deliberate unauthorized use. I further certify that the loss of or damage to the items occurred under the circumstances described herein.					
6. NATIONAL STOCK NO. OR MANUFACTURERS PART NO.	7. NOMENCLATURE	8. QUANTITY	9. UNIT OF ISSUE	10. UNIT COST	11. EXTENDED COST
4G-5845-00-008-3492	Receiver	1	ea.	2170.00	2170.00
SAMPLE					
12. TOTAL COST OF LISTED ITEMS →					\$2170.00
13. CIRCUMSTANCES OF LOSS OR DAMAGE While in the process of making a normal issue, the receiver could not be located. Research indicated that the receipt papers had been processed correctly, however, the material is not in the location indicated. A storeroom check failed to turn up material. Cause: Item previously issued with issue papers either incorrectly processed or lost.					
14. TYPED NAME & GRADE OF ACCOUNTABLE/RESPONSIBLE OFFICER F. B. Williams, GS-13			14a. SIGNATURE		14b. DATE 9 Jun 19--
THIS PORTION TO BE COMPLETED BY REVIEWING AUTHORITY AND RETURNED TO ACTIVITY INDICATED IN ITEM NO. 2					
15. I have reviewed the evidence pertaining to the loss or damage and <input checked="" type="checkbox"/> agree <input type="checkbox"/> do not agree that the loss or damage to the property was not due to <input type="checkbox"/> simple <input checked="" type="checkbox"/> gross negligence, willful misconduct, or deliberate unauthorized use. The following action is authorized: <input checked="" type="checkbox"/> a. An inventory adjustment for the property which was not lost through <input type="checkbox"/> simple <input checked="" type="checkbox"/> gross negligence, willful misconduct, or deliberate unauthorized use. <input type="checkbox"/> b. Repair the damaged property and charge to O&M/stock fund as fair wear and tear as damage was not caused by gross negligence, willful misconduct, or deliberate unauthorized use. <input type="checkbox"/> c. The circumstances surrounding the loss or damage warrant the processing of a report of survey, DD Form 200, to be initiated immediately. <input type="checkbox"/> d. Other action (Specify): _____					
16. TYPED NAME & GRADE OF REVIEWING OFFICER M. P. Summers, Capt, SC, USN			16a. SIGNATURE		16b. DATE 16 Jun 19--

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ILLUSTRATION 3